

Social Justice: transforming lives

Presented to Parliament by the Secretary of State
for Work and Pensions by Command of Her Majesty
March 2012



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For more information about this publication, contact:

**Social Justice and Disadvantaged Groups Division
Department for Work and Pensions**

7th Floor

Caxton House

Tothill Street

London

SW1H 9NA

E-mail: dwp.socialjustice@dwp.gsi.gov.uk

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Foreword by the Secretary of State

I was recently handed a report by a charity containing images and sculptures created by a number of vulnerable children. One of the scenes was produced by ten young people whose parents were substance abusers, and the caption below the photo read as follows:

“The house of children whose parents are addicted to crack-cocaine. Dad has passed out on the mattress in his own vomit, mum is crouched over a table, preparing her fix. What you don’t see is the child hidden in the corner crying.”

This is how these children chose to represent their home lives.

Sadly, this is not an isolated case. In the UK today there are hundreds of thousands of individuals and families living profoundly troubled lives marked by multiple disadvantages. For example, the Government recently identified a group of 120,000 troubled families whose lives are so chaotic they cost the Government some £9 billion in the last year alone. But this pales in comparison to the human cost, with children who grow up in damaging and unstable environments frequently set on a path to poorer outcomes later in life. For example, we know that an incredible 24 per cent of prisoners state that they were taken into care as a child.

These are not new challenges, but they are in need of a new approach. We can no longer sustain a strategy based on maintenance alone, more concerned with pushing people just above the poverty line than changing their lives. That is why this strategy sets out an ambitious new vision for supporting the most disadvantaged individuals and families in the UK.

That vision is based on two fundamental principles. First, **prevention** throughout a person’s life, with carefully designed interventions to stop people falling off track and into difficult circumstances. This starts with support for the most important building block in a child’s life – the family – but also covers reform of the school and youth justice systems, the welfare system, and beyond to look at how we can prevent damaging behaviours like substance abuse and offending.

Second, the strategy sets out our vision for a ‘second chance society’. Anybody who needs a second chance in society should be able to access the support and tools they need to transform their lives.

Delivery must be focused on providing these services. Early intervention, social investment, payment by results, multi-agency delivery – these should be the watchwords for every government department, local authority and private or voluntary sector provider in the coming years.

2 Introduction

What does all of this mean in practice? It means we should start to see vulnerable parents being supported from the early days of their children's lives, accessing health advice and able to build a loving and supportive environment for their children to grow up in. It means we should start to see families who used to be inundated by government agencies having a known and trusted single point of contact, someone who knows their name and their story. And it means we should start to see people with long-term drug dependence who have been maintained in their condition for many years referred to local, innovative, organisations who are able to invest in getting them back into work, getting them clean, and changing their lives.

For too long we have measured our success in tackling poverty in terms of the simplistic concept of income transfer. This strategy sets out a much more ambitious approach, aspiring to deliver Social Justice through life change which goes much wider than increases in family income alone. Social Justice must be about changing and improving lives, and the different ways this can be achieved.

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

The Government's ambitions for Social Justice apply to the whole United Kingdom, as set out in this document. However, we recognise that many of the policy levers are in the hands of the devolved administrations and that, as such, these administrations are responsible for their own devolved policies and are therefore not bound by this strategy. The Government will, however, work closely with the devolved administrations and with delivery agents large and small to promote the principles across all parts of the United Kingdom.

Introduction

Social Justice is about making society function better – providing the support and tools to help turn lives around.

This is a challenging new approach to tackling poverty in all its forms. It is not a narrative about income poverty alone: this Government believes that the focus on income over the last decades has ignored the root causes of poverty, and in doing so has allowed social problems to deepen and become entrenched.

In this chapter we define Social Justice and describe the new set of principles that inform our approach:

1. A focus on **prevention and early intervention**
2. Where problems arise, concentrating interventions on **recovery and independence**, not maintenance
3. Promoting **work** for those who can as the most sustainable route out of poverty, while offering **unconditional support** to those who are severely disabled and 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**

Social Justice is closely related to another Government priority: to increase social mobility. The Social Mobility Strategy¹ is about ensuring people are able to move up the social ladder, regardless of background; this Social Justice Strategy is about ensuring everybody can put a foot on that ladder.

¹ Cabinet Office, 2011, *Opening Doors, Breaking Barriers: A Strategy for Social Mobility*

1. Barry was drug dependent, as was his father before him. His mother, an alcoholic, split from Barry's father and met another man, at whose hands Barry was physically abused. Barry was taken into care.
2. Barry was drinking by the time he was 10, using cannabis by 11 and heroin at 15. Quickly turning to crime to fund his habit, he spent the next 17 years in and out of prison: *"I was messed up in a really bad way. My family had disowned me... The crime, the drugs, the violence. Nobody wanted to know me."* When not in prison he was parked on benefits, money spent either on feeding himself or feeding his habit.
3. Barry is not alone. We live in one of the richest countries in the world, yet we still see that inequality is rife and social problems endemic. Growing up in broken communities and facing multiple disadvantages, too many find themselves passing on their difficult circumstances from one generation to the next.
4. **This can result in complex and interlinking disadvantages, often with roots traceable to early life. Social Justice is about providing support and tools to transform lives.²**
5. It is also about seeking to prevent people falling into this position in the first place, including early action to give children the best start in life, and incentivising and supporting positive behaviours as people move into adulthood.

The scale of the challenge

6. We can get an idea of the scale of the problem we are dealing with by looking at the number of people experiencing specific disadvantages at any one time, as well as looking at how they can interact. For instance:

Worklessness

- There are currently around 3.9 million workless households in the UK. That is almost one in five of all households.³
- Since 1996, the number of UK households where no-one has ever worked has more than doubled from 132,000 to 297,000 – 1.4 per cent of all households.⁴
- There are 1.8 million children living in workless households.⁵

2 To learn more about Barry's life and hear other people's stories, visit www.dwp.gov.uk/socialjustice

3 Workless households are households (with at least one member who is aged 16 to 64) where no-one is currently working. The figure excludes student households. Respondents are asked to discount periods of casual and holiday work. Office of National Statistics, 2011, *Working and Workless Households*.

4 Ibid

5 Ibid

Family

- Evidence suggests that children tend to enjoy better life outcomes when the same two parents are able to give them support and protection throughout their childhood.⁶
- 28 per cent of children in lone parent families live in relative poverty, compared with 17 per cent for couple families.⁷
- Marriage rates have more than halved in the last 40 years,⁸ while the number of lone parent households increased by an average of 26,000 a year from the early 1980s to 2010.⁹

Education

- Attainment gaps persist between pupils from low-income families (those eligible for free school meals) and their peers through all stages of education, including entry into higher education.¹⁰
- Children who are eligible for free school meals are around four times more likely to receive a permanent exclusion than children who are not eligible for free school meals.¹¹
- 40 per cent of newly sentenced prisoners said they had been permanently excluded from school and 46 per cent said they left school with no qualifications.¹²

6 Coleman, L and Glenn, F, 2009, *When Couples Part: Understanding the Consequences for Adults and Children, One Plus One*.

7 Department for Work and Pensions, 2011, *Households Below Average Income: An analysis of the income distribution 1994/95 – 2009/10*.

8 Office of National Statistics.

9 Office of National Statistics, 2010, *Social Trends 40*.

10 Free School Meals and Attainment Data in Sutton Trust, 2010, *Responding to the New Landscape for University Access*.

11 Department for Education, 2011, *Permanent and Fixed Period Exclusions from Schools in England 2009/10*.

12 Ministry of Justice, 2008, *The Problems and Needs of Newly Sentenced Prisoners*.

Drug and alcohol dependency

- It is estimated that there are 1.1 million dependent drinkers in England¹³ and close to 306,000 heroin and crack cocaine users in Britain.¹⁴
- It is estimated that 80 per cent of users of heroin and crack cocaine in England are on working age benefits.¹⁵
- The Advisory Council on the Misuse of Drugs has estimated that there are between 200,000 and 300,000 children in England and Wales where one or both parents have serious drug problems.¹⁶
- Heroin users are 17 times more likely to die prematurely than the general population – from factors including injury and violent crime as well as their drug use.¹⁷

Debt

- In 2009, it was estimated that around 10 per cent of all households had arrears in one or more of their financial commitments.¹⁸
- 36,200 properties were repossessed in 2011.¹⁹
- In 2006, BIS estimated that there were approximately 165,000 households using illegal money lenders in the UK; this represents 6 per cent of households in our most deprived areas.²⁰

Crime

- In a survey of prisoners' backgrounds in 2010, 37 per cent of prisoners reported having a family member with a conviction for a non motoring criminal offence.²¹
- 53 per cent of prisoners did not grow up in a household with both natural parents.
- 24 per cent of prisoners stated that they were taken into care.

13 Department of Health, 2007, *Safe, Sensible, Social: The next steps in the national alcohol strategy*.

14 Hay, G and Bauld, L, 2008, *Population estimates of problematic drug use in England who access DWP benefits: A feasibility study*, Department for Work and Pensions Working Paper No 46. Information Services Division Scotland, 2009, *Estimating national and local prevalence of problem drug misuse in Scotland*, Welsh Assembly Government, 2009, *Substance Misuse in Wales 2008-9*.

15 Hay, G and Bauld, L, 2008, *Population estimates of problematic drug use in England who access DWP benefits: A feasibility study*, Department for Work and Pensions Working Paper No 46.

16 Advisory Council on the Misuse of Drugs, 2003, *Hidden Harm – Responding to the needs of children of problem drug users, Inquiry by the Advisory Council on the Misuse of Drugs*

17 Hickman et al, 2003; *Drug related mortality and fatal overdose risk: pilot cohort study of heroin users recruited from specialist drug treatment situated in London*, The New York Academy of Medicine.

18 Office of National Statistics, 2009, *Wealth in Great Britain: Main results from the Wealth and Assets Survey 2006-08*. This is defined as 'unable to make minimum payments on revolving credit or behind with mortgage, fixed-term credit or household bills by two or more consecutive payments'.

19 Council of Mortgage Lenders.

20 Ellison, A., Collard, S., and Forster, R., 2006, *Illegal Lending in the UK*.

21 Ministry of Justice, 2010, *Surveying Prisoner Crime Reduction Survey*.

Measuring multiple disadvantage

7. There are various estimates of the numbers of individuals and families facing multiple disadvantages at any one time. For instance, we estimate that there are 120,000 families living particularly troubled and chaotic lives.²² These families are the subject of significant government intervention – with some £9 billion spent on this particular group in the last year alone – and can cause serious problems for their local communities through crime and antisocial behaviour.
8. On a wider definition, analysis from household survey data found that 11 per cent of adults (5.3 million people) in the UK experience, at any one time, three or more of six areas of disadvantage (education, health, employment, income, social support, housing and local environment).²³ This population is constantly changing, with people moving in and out of disadvantage and poverty according to the impact of these economic, social and environmental factors.
9. It is clear that the number of people facing multiple disadvantages which damage their life chances, and those of their children, is unacceptably high.
10. We know that in some cases these disadvantages can be exacerbated by factors like ethnicity, gender or disability. For instance, disabled people are substantially more likely to experience material deprivation than people who are not disabled.²⁴ This strategy does not focus on these factors as themes – rather it looks at the areas of disadvantage and how best to tackle them. This is not to ignore the role that factors like these can play in contributing to multiple disadvantages, however, and the importance of changing that picture.²⁵

²² Department for Communities and Local Government.

²³ Analysis using BHPS 2007 data cited in HM Government, 2010, *State of the nation report: poverty, worklessness and welfare dependency in the UK*.

²⁴ Labour Force Survey, Quarter 2, 2010 McKay, S. and Atkinson, A., 2007, *Disability and caring among families with children: Family employment and poverty characteristics*, Department for Work and Pensions.

²⁵ For instance the Government is working with disabled people to develop a new cross-government disability strategy which we will be publishing later in the year.

Why this Government believes that a new approach is necessary

11. This is not a new phenomenon. Governments have spoken for many years about helping particular groups, including those experiencing multiple disadvantages, and some progress has been made. However, the debate around disadvantage has too often been narrowly focused on the number of people in relative income poverty, defined as 60 per cent of the median national income. This relative income measure is important, but it can also create perverse incentives.
12. Focusing on the relative income measure alone can encourage an emphasis on out-of-work welfare transfers, which may push a family just above the poverty line but do little to change the course of their lives. Between 1998/99 and 2009/10 the likelihood of being in relative poverty declined 1.5 times faster for children living in workless families than for children living in families where somebody worked.²⁶
13. Some £150 billion was spent on tax credits from 2004-2010, much of which was targeted at families with children. However, projections recently published by the Institute for Fiscal Studies suggest that, despite this considerable spending, several of the income targets in the Child Poverty Act are likely to be missed.²⁷
14. This Government believes that this reinforces the need to tackle the root causes of poverty and provide support beyond the welfare support system, for example by helping those in work to lift themselves out of poverty.
15. Ensuring that work pays will help people not only lift themselves out of poverty but also support them to progress and move away from the poverty line. It therefore complements this Government's view that the 'poverty plus a pound' approach, which leaves people close to poverty, lacking life chances and ill equipped to gain them, is the wrong one.
16. The Child Poverty Strategy and the Social Mobility Strategy, published in April 2011, focused on transforming lives, and are part of a wider dialogue which emphasises the importance of life chances and looking at issues beyond income alone. This Social Justice Strategy continues and develops the approach set out in these and other relevant strategies.

²⁶ Department for Work and Pensions, 2011, *Families Compared to Working Families Relative Rate of Change in the Incidence of Child Poverty in Workless*.

²⁷ M. Brewer, J. Browne, R. Joyce, *Child and Working Age Poverty From 2010 to 2020, IFS Commentary C121*.

A new ethos

17. This Government believes that the vast majority of people cannot and will not have their lives changed through ever-increasing benefit rates.
18. Take Barry's experience – his life was changed not by increased benefits, but by being brought into contact with a local and innovative service called BAC O'Connor. BAC O'Connor helped Barry to become free from drug dependency in a sustainable way and to move on and up into work. He now has a home and a job, he pays his bills, he is studying for a degree and is back in contact with his family.
19. Everyone's needs will be different, but Barry's experience underlines some of the key drivers underpinning this Social Justice Strategy, drivers which set this Government's approach apart from those of the past:
20. **First**, we recognise that not all increases in income are equally beneficial. Income through benefits maintains people on a low income, and can even risk bolstering welfare dependency and feeding social problems such as drug dependency. Work, on the other hand, and the income it brings, can change lives – boosting confidence and self-esteem, providing a structure to people's lives and giving them a stake in their community.²⁸ So while we will always ensure that the most severely disabled people, those who we do not expect to take steps to return to work, are able to live with dignity, we are clear that work is the best and most sustainable route out of poverty for those who are able.
21. **Second**, we recognise that disadvantage is far wider than income poverty alone. Though low income is a useful proxy measure, it does not tell the full story of an individual's well-being. Frequently, very low income is a symptom of deeper problems, whether that is family breakdown, educational failure, welfare dependency, debt, drug dependency, or some other relevant factor. Many people are beset by a combination of these factors, interlinking with one another and driving a cycle of deprivation. We need a new approach to multiple disadvantages which is based on tackling the root causes of these social issues, and not just dealing with the symptoms.
22. The new approach to delivering on this ambition should be defined by the following principles:
 1. A focus on **prevention and early intervention**
 2. Where problems arise, concentrating interventions on **recovery and independence**, not maintenance
 3. Promoting work for those who can as the most sustainable route out of poverty, while offering **unconditional support** to those who are severely disabled and cannot work
 4. Recognising 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**

²⁸ Waddell, G. and Burton, K. A., 2006 *Is work good for your health and well being?*; Black, C., 2008, *Working for a healthier tomorrow*; Perkins, R. et al, 2009, *Realising Ambitions, Better employment support for people with a mental health condition*; Marmot, M., 2010, *Fair Society, Healthy Lives, The Marmot Review*.

The importance of finding new solutions

23. We know that individuals and families facing multiple disadvantages do not always get the support they need, when they need it.
24. Because a range of services is needed to tackle these complex issues there is a risk that people fall through gaps between different agencies – whether it be the local housing office, Jobcentre Plus or the local health service – with no single party responsible for making sure they are working together. And the problems they face can make it difficult for them to make those links themselves and access the support they need.
25. We cannot hope to tackle multiple problems in a sustainable way unless we continue to establish new approaches to delivery for this group, including better preventative services, multi-agency approaches, and the provision of key workers to provide long-term tailored support.
26. Locally-designed and delivered solutions are critical here. This Government is clear that individuals and organisations working at the grassroots, from local charity and community leaders to local authorities and agencies, are best placed to make decisions about how improvements can be made to the way services are delivered in their area.
27. There are excellent examples of this type of innovation already happening, for instance in some Community Budget areas (see box page 22), demonstrating how simple approaches to joining up services for one family can dramatically improve outcomes and reduce the demands made on individual services.
28. In chapter five we set out what Government is doing to encourage and facilitate local innovation like this and how it is supporting the growth of a social investment market that enables investors to achieve both social and financial returns.
29. Crucially, we also call on local leaders throughout the country to consider what more they can do to embed the principles of this strategy in the way they fund and commission services.

The Social Justice Cabinet Committee

30. While this strategy needs to be driven forward at a local level it also requires national leadership and a change in the way policy is created and evaluated in central Government.
31. That is why this Government has established a Cabinet Committee for Social Justice, bringing together Ministers from across Government to drive forward our aims for the agenda.

32. The aims of the Committee are to:
- Provide political leadership and oversee the setting of priorities across government, specifically on Social Justice, equality and poverty, to deliver the Prime Minister's intent;
 - Actively encourage and support cross-Government working, recognising that policy to deliver Social Justice outcomes cannot be developed or delivered in silos; and
 - Support and act as an advocate for innovative evaluation techniques and delivery mechanisms that have the potential to further the Social Justice agenda.

Related strategies

33. The principles set out in this strategy build on those first set out in the Child Poverty Strategy – a new approach to tackling child poverty based on the principles of work, fairness, responsibility and support for the most vulnerable.²⁹
34. It is also closely related to this Government's Social Mobility Strategy.³⁰ Whereas our Social Mobility Strategy is about making sure everyone is able to move up the social ladder, regardless of background, this Social Justice Strategy is about ensuring that everybody is able to take their first step on this ladder whatever their current circumstance.
35. The principle of better partnership working to tackle multiple disadvantage is also picked up in other Government strategies. For example, *Healthy Lives, Healthy People: Our Strategy for Public Health in England*³¹ and the *Public Health Outcomes Framework*³² deal with a broad range of factors that affect our health and well-being – citing those issues that most affect life chances throughout the life course as being critical to good health outcomes.
36. This joined-up approach to delivering Social Justice is essential at both the national and local level and we pick up throughout this document where links to other strategies across government can be made.

²⁹ Department of Education, 2011, *A New Approach to Child Poverty: Tackling the causes of disadvantage and transforming children's lives*.

³⁰ Cabinet Office, 2011, *Opening Doors, Breaking Barriers: A Strategy for Social Mobility*.

³¹ Department for Health, 2010 *Healthy Lives healthy people: Our Strategy for Public Health in England*.

³² Department of Health, 2012, *Public Health Outcomes Framework*.

A lifecycle approach

37. This strategy follows a lifecycle structure, showing how Social Justice offers a new approach to preventing problems occurring at different stages in people's lives, as well as providing a second chance where disadvantages have already set in.
- **Chapter one** focuses on the importance of the family as the first and most important building block in a child's life.
 - **Chapter two** looks at children and young adults, focusing on the role of schools in preventing disadvantaged children falling out of the mainstream – through truancy, exclusion or from coming into contact with gangs or the youth justice system.
 - In **chapter three** we focus on people of working age and our reforms to welfare, ensuring that, once young people leave education, they are met by a system which is supportive and incentivises work.
 - **Chapter four** considers the position of the most disadvantaged adults in society and explains our vision for a second chance society: how we are supporting people whose life has gone off course.
 - And **chapter five** is about how we deliver on this strategy, using the best organisations in the public, private and voluntary sectors to change the lives of the most disadvantaged individuals and families in the UK.

Supporting families



In this chapter we set out the importance of family in providing the foundation for every child's life, and why this Government wants to support families to stay together and give their children the best start.

This is particularly crucial for families facing multiple disadvantages, where well-timed intervention and support can have a transformative effect on a child's life chances.

We also set out how we are making improvements to the adoption, fostering and care systems that look after our most vulnerable children, to provide the best alternative structures when staying in the care of biological parents is not an option.

The problem

38. The family is the first and most important building block in a child's life and any government serious about delivering Social Justice must seek to strengthen families.
39. So many of the early influences on a child relate to the family setting in which they grow up. When things go wrong, we know that this can increase the risk of poor outcomes in later life. Even more importantly, we know that family breakdown and other risk factors – worklessness, educational failure, mental ill health or drug and alcohol dependency – can feed off one another, compounding their effects, and leading to outcomes that can be very damaging for those affected and costly to society as a whole.
40. Family instability or breakdown can have devastating long-term consequences:
- In a survey of offenders, 41 per cent reported witnessing violence in their home as a child and 29 per cent reported emotional, sexual or physical abuse as a child.³³
 - A cohort study found that those who had experienced homelessness were more likely to have encountered family breakdown as a child.³⁴
 - A longitudinal study of males found that separation from a biological parent, high family conflict and multiple transitions into new families were all equally associated with an increased involvement in crime.³⁵
41. Families facing multiple disadvantages can need extra support to give their children a positive start in life, because – as evidence in this chapter demonstrates – children growing up without a healthy, stable, nurturing family environment are particularly vulnerable to poor outcomes in later life.

Relationship quality and stability

42. Both the quality and stability of the relationship between a child's parents are particularly influential factors in determining later life outcomes.
43. We know that children raised by parents reporting high relationship quality and satisfaction tend to have higher levels of wellbeing, while intense conflict between parents has been shown to be detrimental to children's outcomes.³⁶ Children who experience sustained inter-parental conflict are at greater risk of anxiety and depression, increased aggression, hostility and anti-social behaviour.³⁷

33 Ministry of Justice, 2010, *Compendium of reoffending statistics*.

34 Kiernan, K Centre for Analysis of Social Exclusion, 1997, *The Legacy of Parental Divorce: Social, economic and demographic experiences in adulthood*.

35 Juby, H & Farrington, D.P. (2001). *Disentangling the Link between Disrupted Families and Delinquency*. *British Journal of Criminology*, 41, 22-40.

36 Mooney et al, 2009, *The Impact of Family Breakdown on Children's Wellbeing*. DCSF Research Report 113.

37 Harold G. Shelton K., Goeke-Morey M., Cummings E., 2004, *Marital conflict, child emotional security about family relationships, and child adjustment*. *Social Development*., 13:350–376 ; Cummings E. M., Davies PT. *Effects of marital conflict on children: Recent advances and emerging themes in process-oriented research*. *Journal of Child Psychology and Psychiatry and Allied Disciplines*. 2002, 43:31–63.

44. This is especially acute in cases where children live with domestic violence, for example 40 per cent of children from families where domestic violence is an issue exhibit clinically significant emotional and behavioural problems.³⁸
45. Evidence also suggests that children tend to enjoy better life outcomes when the same two parents are able to give them support and protection throughout their childhood. Children who have experienced parental relationship breakdown are more likely to have poor cognitive development and education and employment outcomes than those who have lived with both birth parents.³⁹ However, the negative impacts of relationship breakdown on children are far from universal. The majority of children are able to adjust to a changing situation after a period of instability whilst others are less fortunate with negative impacts extending into adulthood.
46. This is not to say that lone-parents and step families cannot provide high levels of love and support for children – all types of family structure have the potential to provide the stability that is vital for enabling good outcomes. But – whilst this is not the case in every situation – we should recognise that the impact of multiple relationship transitions and changes in family structure are particularly detrimental to children.⁴⁰ So, where it is practicable and safe, the presence of the same two parents in a warm, stable relationship throughout childhood is particularly important.

Family formation

47. Outcomes are better when relationships don't break down. So if we are to improve outcomes both in the early years and in adulthood, we need to support couples in forming strong and lasting partnerships and in providing the stable family environments that are best for raising children.
48. Analysis of the Millennium Cohort Study shows that around one in ten married parents split before a child's fifth birthday, compared to one in three cohabiting couples.⁴¹ Given that married relationships tend to have greater longevity and stability than other forms, this Government believes marriage often provides an excellent environment in which to bring up children. So the Government is clear that marriage should be supported and encouraged.
49. But many couples are choosing not to get married and still go on to provide good family environments. Evidence suggests that the way in which a family functions has even more effect on outcomes for children than the type of family structure (e.g. whether they are a lone parent or married couple).⁴²
50. In order to support families effectively we need to understand what drives stability and what factors are more likely to result in family breakdown.

38 Harold, G. and Howarth, E., 2004, *How Marital Conflict and Violence Affects Children: Theory, Research and Future Directions*, in Calder, M., Harold, G. and Howarth, E. (eds) *Children Living with Domestic Violence: Towards a Framework for Assessment and Intervention*, Russell House Publishing.

39 Coleman, L and Glenn, F, 2009, *When Couples Part: Understanding the Consequences for Adults and Children*, One Plus One.

40 Ibid.

41 Kiernan and Mensah Partnership trajectories, parent and child wellbeing in Hansen, Joshi and Dex, 2010, *Children of the 21st Century Volume 2: the first five years*.

42 Mooney et al, 2009, *The Impact of Family Breakdown on Children's Wellbeing*. DCSF Research Report 113.

Family breakdown

51. We should be concerned about the long-term trend in all types of family breakdown: marriage rates have more than halved in the last 40 years,⁴³ while the number of lone parent households increased by an average of 26,000 a year from the early 1980s to 2010.⁴⁴
52. We know that risk factors such as poverty, worklessness, educational failure, mental ill health and drug and alcohol dependency can put pressure on relationships and lead to family breakdown. The later sections of this strategy set out how we are working to tackle these risk factors – challenging the culture of worklessness and improving the support available to help people transform their lives and rebuild their families.
53. But we also know that past government policy across a range of areas, from welfare to the legal system, has exacerbated the rising trend in family breakdown:
- **The couple penalty in the welfare system:** The way that benefits and tax credits are paid in the current welfare system means that many couples are better off living apart than if they choose to live together.
 - **Treating symptoms not causes:** There has been a failure in recent years to give sufficient focus to the *prevention* of relationship breakdown, with resources overwhelmingly focused on dealing with the consequences of that breakdown.
 - **An antagonistic child maintenance system that does not encourage people to make family-based arrangements:** The current system is not working – only around half of children in separated families benefit from an effective child maintenance arrangement.⁴⁵ Too often the system pushes families down the inefficient and expensive statutory route by default, which takes responsibility away from parents and can cause conflict and hostility.

Changing the narrative

54. The Government is determined to change the terms of debate around the family. Too often we are told that government action has unexpected consequences and can drive people – families, parents, couples – into making decisions that are at odds with their natural preferences. We need to row back from that approach.
55. But at the same time we need to ensure that where possible government helps and supports the safety net that a stable family can provide. The remainder of this chapter sets out the ways in which we will ensure that families at risk and families who experience difficulties can get the help they need to stabilise and improve the quality of their relationships, and provide a stable environment for raising children.
56. We have already started to make the changes that will take us forward and have embarked on some major reforms.

43 ONS Statistics.

44 Office of National Statistics, 2010, *Social Trends 40*.

45 Child Maintenance and Enforcement Commission Delivery Plan 2011/2012.

What Government is doing

Supporting family formation: the couple penalty

57. Currently, there are different benefit payment rates for couples and single people because the rate set for couples assumes that they will have reduced outgoings because they can share the expense of some living costs.
58. The couple penalty exists in the current welfare system because the way that benefits and tax credits are calculated means that many couples are better off living apart than if they choose to live together.
59. The introduction of Universal Credit will reduce the couple penalty where it is likely to have the greatest impact – among low earning couples. It will do this by providing an enhanced earnings disregard which will, along with the reduced taper, allow couples to keep more of their income in work. Couples will also receive the higher personal allowance available in the current out-of-work benefits within their Universal Credit, to ensure they are not disadvantaged relative to working singles.

Promoting positive relationships between parents

60. This Government has committed £30 million over the next four years to provide **relationship support** for couples. A range of expert providers in the voluntary sector are being funded to deliver relationship support activities. These include preventative services such as marriage preparation courses and classes for first-time parents as well as counselling for couples who are already experiencing difficulties. This activity also seeks to drive cultural change, encouraging people to seek support to help tackle destructive behaviours. We have commissioned an evaluation of a number of these interventions to help us understand which services work best to support relationships and marriage. Findings from these studies will be used to inform decisions on the future funding of relationship support.
61. The Government has committed £20 million over the next three years to **help separated and separating parents** to work together in the best interests of their child. Existing support services for separating and separated parents, which could include information on making financial arrangements or emotional and practical support to help parents work together, will be coordinated through a web and telephony service. This will enable parents to find more easily the support and help they need, when they need it. The Government is working with an expert panel who will build an evidence base on the interventions that best help parents to collaborate. Additionally, the Government estimates that it will spend an extra £10 million a year on legal aid for family mediation (which takes the total to £25 million per year).
62. Where parents are unable to resolve issues arising from conflict post-separation, we are making changes to the family justice and child maintenance systems to limit the damage and disruption which can prevent parents from putting the needs of their child first.

63. The Government has accepted the majority of the recommendations made by the independently chaired **Family Justice Review**,⁴⁶ set up to look at how to reform the family justice system to make it more efficient, effective and accessible for parents and children. The Government's response⁴⁷ to the review includes:
- a commitment to ensure that the justice system more routinely recognises the importance of a meaningful relationship between both parents for children from separated families.
 - the introduction of a new Family Justice Board which will be accountable to Ministers and will drive performance and ensure cross-agency working.
 - a range of measures aimed at speeding up care and adoption cases (see page 24).

A new emphasis on early intervention

64. Early intervention must be central to changing the family narrative – we need to ensure families can access the support they need to prevent problems arising and tackle issues before they become embedded.
65. This means both offering support in a child's foundation years to ensure the family is providing the best possible environment for healthy development, and intervening at the earliest opportunity if problems begin to appear at any point in a family's life.
66. Since April 2011 the Department for Education (DfE) has provided local authorities with funding through the Early Intervention Grant (EIG). The EIG, worth more than £2.2 billion per year, can be used to fund early intervention and preventative services such as universal programmes and activities available to all children, young people and families, as well as specialist services where more intensive support is needed.
67. This Government also strongly supports the work of both Graham Allen and Frank Field on early intervention⁴⁸ and will be investing in the development of an Early Intervention Foundation (see page 65).

Supporting parents and young families

68. The Government signalled the importance of preventative work and early intervention in a child's first years of life through the publication of *Families in the Foundation Years* in July 2011, which focuses on promoting young children's development and supporting all aspects of family life.⁴⁹

46 Ministry of Justice, 2011, *Family Justice Review Final Report*.

47 The Government Response to the Family Justice Review: *A system with children and families at its heart*, February 2012.

48 Field, F., 2010, *The Foundation Years: preventing poor children becoming poor adults*, *The report of the Independent Review on Poverty and Life Chances*; Allen, G., 2011, *Early Intervention: The Next Steps*; Allen, G., 2011, *Early Intervention: Smart Investment, Massive Savings*.

49 Department for Education, 2011, *Families in the Foundation Years*.

69. Across Government, we are taking forward a number of reforms designed to more effectively support parents and young families. These include:
- Improving access to support and advice for young families, including those with difficulties, by recruiting an additional 4,200 health visitors by 2015.
 - Doubling the capacity of the Family Nurse Partnership⁵⁰ programme to help improve pregnancy outcomes, child health and development, and the economic self sufficiency of 13,000 vulnerable young families by 2015.
 - Testing a range of innovative new projects designed to increase the take up of relationship support by first-time parents and encourage them to invest the time and energy in building a strong foundation for themselves and their children.
 - Reforming Sure Start Children's Centres to ensure that services are better focused on families in the greatest need, as well as training staff in centres to enable them to better identify and support parents who may be facing relationship distress.
 - Extending free early education provision to the most disadvantaged two-year-olds. This will cover about 40 per cent of two-year-olds in total (about 260,000 children) by 2014 and will help narrow the gaps in attainment between the poorest children and their better-off peers and ensure that every child has a fair chance to succeed.
 - Increasing free early education for all three and four year olds to 15 hours a week.
 - Trialling the provision of universal parenting classes for mothers and fathers of children in the foundation years, alongside supporting family learning and parental engagement programmes delivered in local settings, to ensure all parents are better prepared to support their children's learning and development.⁵¹
 - Providing 11 online and telephone help services to give parents and families free information, advice and guidance or intensive support on a wide range of topics including family law, relationship support and children with disabilities.
 - Including indicators within the Public Health Outcomes Framework relating to maternal and infant health,⁵² including to increase prevalence of breastfeeding, to reduce the rate of low birth weight of babies born at full term, and to reduce the smoking rate of pregnant women.

50 The Family Nurse Partnership is an intensive, structured home visiting programme for first time mothers under twenty, involving regular visits from a specially trained family nurse from early pregnancy until the child is two years old.

51 Goodall, J., and Vorhaus, J., with the help of Carpentieri, J.D., Brooks, G., Akerman, R., and Harris, A, 2011, *Review of best practice in parental engagement*.

52 Department of Health, 2012, *Healthy Lives, Healthy People: Improving Outcomes & Supporting Transparency*.

Supporting parents and young families: Family Links Nurturing Programme

Bradford Council and Barnardo's are working in partnership with the Family Links Nurturing Programme, an evidence-based approach helping parents to improve family relationships.

Beverley and Steve received help through the Nurturing Programme to improve the behaviour of their four children who were out of control, both at home and at school.

“Our eldest child Alex suffers from autism, which had a big impact on our other children,” says Beverley. “They copied her behaviour – spitting, swearing, being violent. We tried everything but nothing seemed to work.”

Sarah Darton from Family Links says: *“We work to boost a parent's self-awareness and self-esteem, and look back at how their parents treated them. Parents need to understand how their child's feelings are driving the problem behaviours.”*

Beverley says: *“They didn't come in and tell us we were doing things wrong, or belittle us. They looked at our strengths and gave us support and ideas.”*

The new approach has been a huge success for the family. The children's standards have improved in school and they all take part in after-school clubs. Beverley adds: *“Things got harder before they got easier, but we stuck at it and now we're bringing up our children in a way that will make them better adults in the future.”*

Tackling domestic and sexual violence

70. One of the most serious and destructive factors that can affect the most troubled families is domestic and sexual violence. Each year over 1 million women suffer domestic abuse, 300,000 are sexually assaulted and 60,000 are raped and the impact this can have on individuals and families is profound.
71. This is clearly unacceptable and in November 2010 the Government set out a new strategy to end violence against women and girls, an approach which emphasises prevention.⁵³ This was updated in a revised action plan in 2011.⁵⁴ In addition we have allocated £40 million to fund specialist support services over the next few years.

⁵³ Home Office, 2010, *Call to End Violence against Women and Girls*

⁵⁴ Home Office, 2011, *Call to End Violence against Women and Girls: Action Plan*

Turning around the lives of the most troubled families

72. The Government has committed to turn around the lives of the most troubled families in England. These are families whose lives are blighted by crime, worklessness, drug and alcohol dependency, low aspirations and educational failure. The chaotic lifestyles these families lead, without routines or boundaries, often destroy the life chances of the children who grow up in them.
73. Louise Casey is leading work across central and local government to meet the Prime Minister's ambition to turn around the lives of the 120,000 most troubled families by the end of the Parliament,⁵⁵ with £448 million made available over the next three years. The programme will focus on getting children back into school, supporting parents to get back on the road into work and reducing crime and anti-social behaviour.
74. We have asked every local area to identify their most troubled families and appoint a co-ordinator to oversee local action to ensure these families get the interventions they need. The programme will expect and support all areas to redesign services for the most troubled families. Many areas are already creating multi-agency locality-based teams able to provide the specialist support required, as well as delivering intensive support through Family Intervention Projects,⁵⁶ the roll out of Community Budgets across local authority areas in England, and the use of Multisystemic Therapy (MST) to reduce the incidence of children being placed in care or custody.

Turning around the lives of troubled families: The LIFE programme

Swindon Council and its partners have used their community budget (see page 63) to fund the LIFE programme, developed together with the social enterprise Participle and local families.

The programme's approach is to see the intervention as a shared experience, with families leading the changes that they want to make in their lives. LIFE is designed to unlock and build capabilities of families in chronic crisis who have previously received multiple interventions from a variety of agencies.

Rob and his partner Rachel were well known to local agencies: they rarely managed to pay their rent, their children were not attending school and were close to being taken into care. Members of the LIFE team came to the family home where Rob and Rachel interviewed and selected their own caseworkers.

Rob explains: *"There was an endless list of problems and I couldn't see how to deal with them. But LIFE gave us the space to think about them and the skills to solve them."*

We started by looking at getting the kids to school. Members of the LIFE team helped us to see that we could get the school clothes ready the night before, getting books ready, putting the shoes somewhere we'd remember. Once we got that sorted the kids started going to school, we were all happier and we moved on to the next problem."

Rob adds: *"The majority of people want support, they just don't know how to do it. The simple things we learnt through the LIFE programme saved our family and show other people that they can turn their lives around like we have."*

⁵⁵ See <http://www.communities.gov.uk/communities/troubledfamilies/> for further information and case studies.

⁵⁶ Family Intervention Projects assign a key worker to work intensively with the whole family to find solutions to their problems, usually through a multi-agency plan.

75. We know that worklessness can be a particular issue for some troubled families. Helping members of troubled families make progress towards, get and keep a job can be important in turning around the lives of all family members, bringing improved structure and stability and increased aspirations and confidence. The Government is therefore putting in place additional employment-focused support in England, funded through the European Social Fund, for some of the most troubled families where either no-one is working or there is a history of worklessness across generations (see page 43).

Family Based Support: Multisystemic therapy

Multisystemic therapy (MST) is an intensive family- and community-based intervention for young people who display serious antisocial or criminal behaviour. Therapists work with the whole family and in partnership with other agencies to address the root causes of the problem(s), with the ultimate goal of reducing antisocial behaviour and improving parenting techniques.

Josh began missing school at the age of 13, started smoking cannabis and was involved in persistent low-level crime. When his mother Denise had all but given up hope, she and her son Josh were referred to a MST pilot at the Brandon Centre in Camden by Josh's Youth Offending Team.

The MST therapist helped Denise understand the causes of the problem, looking at the strengths of the family whilst assessing what might be enabling Josh's bad behaviour. Denise says: *"We started with small things to build up my confidence, like taking his mobile phone or TV away if he didn't do something I asked him to. We then built up to the bigger goals of reducing his cannabis use, stopping the crime and getting him to school."*

There was a change right away – Josh hadn't been to school for 18 months and in the first week he went for two days. Josh went on to complete an apprenticeship and now works as a bricklayer, getting up at 5.45am every morning. He hasn't committed an offence for over three years, has stopped smoking cannabis and family relationships have improved dramatically.

Denise adds: *"MST taught me you can't treat an individual person or problem in isolation, you have to look at the wider picture and understand why everything is happening – it's like peeling an onion, stripping back all the layers."*

The adoption and care systems

76. In those rare instances where families are unable to provide the safe and nurturing family environment that a child needs, the State needs to ensure that this type of environment is replicated to the best standard possible through the care system. Children in care are in a very vulnerable position and are much more likely than their peers to have experienced trauma, instability, neglect or abuse prior to coming into care. One of the main roles of the care system is to mitigate the effects of these experiences to help children fulfil their potential.
77. Whilst outcomes for children in the care system have improved, there is still a wide gap between the outcomes for children in care and those for their peers outside the care system. Frequent delays in permanency and stability of placements, whether through adoption, special guardianship or long-term fostering, can also exacerbate the difficulties that these children face. It is unacceptable that last year, only 31 per cent of looked after children achieved 5 GCSEs at A*-C grades, compared to 79 per cent of their peers. Nor is it right that so many care leavers are not in either education or employment or enter the prison system.
78. This Government recognises that much more needs to be done to improve all aspects of the lives of children in care, including placement stability, education, health, the daily experience of being in care and supporting a successful transition to adulthood. On 31 October 2011, the Prime Minister set out his commitment to overhaul the care and adoption system to improve life chances for vulnerable children. He announced a package of new policy interventions, including launching a major national campaign to encourage more people to become adopters and foster carers.
79. A particularly urgent priority is to radically improve the speed of the adoption recruitment and matching process to help turnaround the decrease in numbers of adoptions over recent years. It is unacceptable that vulnerable children, who come into the court system through no fault of their own, wait an average of 55 weeks for a decision about their future. This is why the Government intends to introduce a six month time limit for public law care and supervision proceedings. Getting earlier decisions about a child's future will help ensure that more children are able to benefit from the loving and nurturing homes they need more quickly.
80. Other significant improvements being made to the care system include the publication of performance tables, which will show more clearly how well local authorities are looking after the children in their care, and improving the support and training given to foster carers. This includes the distribution of a Charter for Foster Carers which sets out clearer expectations for local authorities, fostering agencies and foster carers.
81. This work to reform and improve the adoption and care system will lead to the publication of an Adoption Action Plan by April 2012 in the context of a wider reform programme to be developed by September 2012.

82. In recognition of the role that government can play, for the first time we are giving children in care and care leavers support at all levels of education:
- At school – specific support via the Pupil Premium, enabling extra help such as 1:1 tuition.
 - An entitlement to receive the new Further Education Bursary (EMA replacement).
 - Support for care leavers at university via a £2,000 Higher Education Bursary.

The future

83. This is just the beginning. The Government believes that investing in support to stabilise vulnerable families is the best starting point for tackling disadvantage and poverty. We are determined to encourage, protect and support families of all shapes and sizes, and to champion their importance to individual communities and to society more widely.
84. Policy interventions should first be focused on preventing things going wrong and enabling families to stay together. But where things do go wrong, systems of support should be available to help people move to positions where they can replicate as closely as possible the security provided by a family unit, without being hampered by excessive prescription and bureaucracy.
85. These principles are driving our vision for the future, and the outcomes we want to see: more stable families – an increase in the number of families staying together, and conversely a reduction in divorce and separation rates, especially where children are involved; a reduction in conflict and an end to domestic violence, both within families and when families separate; fewer families experiencing multiple problems. Our aim is for fewer children being taken into care for preventable reasons, but, where they are, a narrowing of the gap between the achievement of looked after children and all other young people – an increase in educational performance and in the proportion of care leavers going on to higher education – and a reduction in the numbers of all children in, or leaving, care in contact with the youth justice system and criminal justice system.
86. But Government should not – indeed cannot – do this alone. As we explore further what more can be done, we want to widen the debate and engage not just statutory agencies and the voluntary and community sectors but also the wider population.

Keeping young people on track

2

In Chapter 1 we set out why the family is the most important influence in a child's life. But in cases where the family is unable to provide a stable and safe environment for a child to grow up in it often falls to schools and the education system to provide the positive foundations that young people need.

In this chapter we set out what the Government is doing to support young people from the most disadvantaged backgrounds, by: helping schools support their poorest pupils and keeping children engaged in mainstream education.

We also set out the measures we are putting in place to help those at greater risk – including youth offenders and those involved in gangs, and children experiencing poor mental health.

The problem

87. Schools have a unique opportunity to ensure that children's lives remain on track. This also means they have a unique responsibility, and it is essential that they are equipped to help all children, especially if they are in circumstances that put them at greater risk.
88. Many of these children will come from an extremely troubled home life, and may have little structure or stability in their daily life. Some will still be struggling with basic speech by the time they start attending school, or may have parents who themselves have only limited literacy and numeracy. Schools must be able to help these children achieve and develop by offering the security, stability and encouragement disadvantaged children may particularly need.
89. The challenge starts with ensuring that children are coming to school and are ready to learn, through addressing unauthorised absence and bad behaviour and acting early to prevent exclusion. If exclusion has to occur, schools need to take more accountability for ensuring that excluded pupils continue to access alternative provision.
90. Schools also provide a crucial safety net for vulnerable children, ensuring young people do not fall out of mainstream provision and into criminal activity or the hands of gangs. Many young people join gangs because they are looking for a sense of stability, structure and belonging that they are unable to find at home.⁵⁷ Schools should be equipped to provide a counterweight to these destructive influences.
91. However, in recent years many schools have struggled to provide sufficient support for children from the most disadvantaged backgrounds.
92. For example, it remains the case that children from poorer backgrounds are more prone to truant and to be excluded from school, and more likely to end up not in education, employment or training when they reach 18 than children from more affluent backgrounds.⁵⁸ In addition, disengagement from education, employment or training increases the risk of young people coming into contact with the youth justice system.⁵⁹
93. These trends are not simply a consequence of low income: they are symptomatic of some of the more deep-rooted problems faced by many people, and which this Strategy aims to address.

57 Centre for Social Justice Gangs Working Group, 2009, *Dying to Belong*

58 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*.

59 Pritchard C and Williams R, 2009, *Does social work make a difference?: A controlled study of former "looked-after children" and "excluded-from-school" adolescents now men aged 16–24 subsequent offences, being victims of crime and suicide*, *Journal of Social Work* 9.

94. This becomes clear when we look at how the problems faced by young people can overlap:
- Children aged 13-14 who live in families with five or more social problems are 36 times more likely to be excluded from school or to have contact with the police than children in families with no social problems.⁶⁰
 - A survey showed 64 per cent of young men permanently excluded from school in adolescence had gone on to commit criminal offences.⁶¹
 - A recent review of young people aged 15 to 17 in Young Offender Institutions (between 2010 and 2011) found that 86 per cent of young men and 82 per cent of young women had been excluded from school and nearly 42 per cent of young men and 55 per cent of young women had last attended school aged 14 or younger.⁶²
95. It is unacceptable that young people should have their future life chances determined by their upbringing, and in the following pages we detail the action that the Government is taking to change this, focused on the most vulnerable young people. We also consider what Government is doing to keep young people on track when they are at risk of engaging – or have already engaged – with street gangs and, for some, the youth justice system.

⁶⁰ Cabinet Office, Social Exclusion Taskforce, 2007, *Families at Risk: Background on families with multiple disadvantages*.

⁶¹ Pritchard C and Williams R, 2009, *Does social work make a difference?: A controlled study of former “looked-after children” and “excluded-from-school” adolescents now men aged 16–24 subsequent offences, being victims of crime and suicide*, *Journal of Social Work* 9.

⁶² Summerfield, A., 2011, *Children and Young People in Custody 2010-2011: An analysis of the experiences of 15-18 year olds in prison*. London: HM Inspectorate of Prisons/YJB.

What Government is doing

Helping schools support the pupils with greatest need

96. Children from the most disadvantaged backgrounds often need extra support to achieve their full potential. The Government is supporting schools to meet this challenge through the Pupil Premium:
- Worth £1.25 billion in 2012-13, rising to £2.5 billion a year by 2014-15, the Pupil Premium is designed to address the current inequalities in educational attainment by attaching greater funding for pupils with disadvantaged backgrounds.⁶³
 - As part of the Pupil Premium settlement for 2012-13, £50 million will also support a new Summer School Programme to help disadvantaged pupils make the transition from primary to secondary school.
 - Schools are able to decide how the Premium is spent, since they are best placed to assess their pupils' needs and what support will help them achieve their full potential. However, new measures have been included in the performance tables on the attainment of pupils attracting the Pupil Premium, which will create a powerful incentive to narrow attainment gaps between disadvantaged pupils and their peers. School Information Regulations will also require schools to publish online from September 2012 details of how they plan to use their Pupil Premium allocation in the year ahead, how they have used it in the previous year and its impact.
97. We also know that young people are more at risk of misusing substances if they truant or are excluded, are entitled to free school meals or are from a lower socio-economic group.
98. Therefore the Department for Education has worked closely with the Association of Chief Police Officers to issue Drug Advice for Schools (published January 2012) to support school staff in managing drugs and related incidents on school premises.

Tackling bad behaviour and absenteeism

99. If children who are already disadvantaged are not attending school or behaving well in the classroom then they are not learning – and their disadvantage is being compounded. That's why the Government is making it easier for schools to address absenteeism and tackle bad behaviour:
- We have put in place measures to restore teachers' authority in the classroom – the Education Act 2011 introduced a range of reforms to help tackle bad behaviour. This is particularly important to support families to implement order and discipline.
 - We are considering putting measures in place to incentivise schools to improve attendance and encourage parents to take responsibility for their children's poor attendance. The Government has asked Charlie Taylor, an expert on behaviour in schools, to review this area.

⁶³ Those currently known to be eligible for free school meals, children who have been in public care for more than six months, and from 2012-13, pupils who have previously been known to be eligible for free school meals at any point in the last six years.

Tackling the causes and impact of exclusion

100. Exclusion can have a dramatic impact on children's life chances. In order to ensure that schools keep working with the most difficult children we are:
- Trialling a radical new approach to the exclusions process in which schools will retain accountability for the pupils they exclude, commissioning appropriate provision for them and being responsible for their outcomes.
 - Revising guidance to schools on exclusion to reinforce the importance of intervening early to identify and address the underlying causes of disruptive behaviour.
 - Ensuring all pupils in alternative provision are given a full-time education.
 - Giving pupil referral units (PRUs) greater autonomy over finance and staffing and improving the quality of alternative provision by creating alternative provision Academies, which will allow PRUs to benefit from Academy status, and bring in new providers as alternative provision Free Schools. As with our school reforms we believe that freeing up providers and giving them more control over the services they provide is one of the most effective ways to improve performance.
 - The Government's Expert Adviser on Behaviour, Charlie Taylor, has recently published results from his review of alternative provision. PRUs and a wide range of other providers educate some of the most vulnerable children in education and it is important that they receive good provision.⁶⁴
101. Whilst schools are ideally placed to help provide a safe and stable environment for disadvantaged young people there is also a role for the wider community in ensuring the good work that schools do is fully supported and not done in isolation.
102. In December 2011 the Government published *Positive for Youth*⁶⁵ which set out a vision for how all sections of society can work together to support young people, particularly the most disadvantaged, in local areas. For example by:
- Giving young people the information and support they need to make the right decisions to help reduce teenage pregnancy rates, risky behaviours such as substance misuse and prevent involvement in crime and anti-social behaviour.
 - Helping young people at risk of dropping out of learning or not achieving their full potential to engage and achieve in education or training.
 - Helping young people develop the personal and social skills they need for learning and the transition to the world of work, for example self-discipline, relationship-building and decision-making.
 - Giving young people a voice and involving them in decisions which affect their lives.
 - The Government is also investing in a network of 63 new state-of-the-art Myplace youth centres as hubs for a wide range of activities and services for young people; and

⁶⁴ Charlie Taylor, 2012, *Improving Alternative Provision*.

⁶⁵ HM Government, 2011, *Positive for Youth: a new approach to cross-Government policy for young people aged 13 to 19*.

- Piloting National Citizen Service to offer a challenging programme of character building activities and social action for 16 year olds. In 2012 there will be up to 30,000 places available, rising to 90,000 in 2014. Over time, the aim is to give every 16 year old the opportunity to take part in National Citizen Service.

Intervening early: Chance UK

Chance UK is an early intervention charity that aims to prevent crime and anti-social behaviour by providing mentors to children aged 5-11 years with behavioural difficulties

When Lavve was just seven years old his Dad died, leaving his pregnant mother Debrina struggling to cope alone. Lavve's behaviour at home and at school deteriorated rapidly – with Lavve becoming increasingly disruptive and withdrawn. Lavve's school suggested to his mother that Chance UK might be able to help.

Chance UK matched Lavve to a mentor who shared his interest in football and took him on days out to new places and helped him with his homework. Lavve's confidence grew and in time he felt able to open up to his mentor about how he felt about his Dad's death. By the end of the year, Lavve was rated by all involved as having no behavioural difficulties on Goodman's Strengths and Difficulties Questionnaire.

Lavve is now working hard at school again and enjoying maths and art. Debrina says: *"I can't imagine what would have happened to Lavve without Chance UK – I thought I was losing him. I've got my son back."*

Mental health services for young people

103. We also know that poor mental health can be at the root of some of the behaviours displayed by some children who experience disadvantage. There are clear links between mental poor health and poor school attendance, and effective treatment for mental health problems can lead to improved behaviour and attainment at school.
104. This is one of the reasons why the Government is committed to transforming NHS mental health services for children. In October 2011, we announced £32 million funding for the children and young people's Improving Access to Psychological Therapies project. Our ambition is to move to services where children, young people and their families are always involved in decisions about their care, and the promotion of good health is of equal importance to caring for those who are ill.
105. In the first phase of the project, we are focusing on access to Cognitive Behavioural Therapies (CBT) for a range of emotional disorders such as anxiety, depression, Obsessive Compulsive Disorder and Post Traumatic Stress Disorder, and parenting therapy for behavioural problems.

Gangs and youth offending

106. Strong, stable families, and effective schools can provide an important buffer between vulnerable young people and the influence of violent street gangs and criminal activity.
107. However, it is absolutely vital that local and central government, together with other relevant agencies, organisations and community groups come together to deliver a co-ordinated response which prevents young people from offending or joining gangs, and helps those already involved to find routes out.
108. *Ending Gang and Youth Violence: A Cross-Government Report*⁶⁶ (November 2011) sets out the Government's new approach to tackling the problems of gang and serious youth violence, making clear that a purely criminal justice response will only ever have limited success and that local areas must take the lead in delivering local solutions.
109. To this end the report laid out seven key principles for understanding and tackling the problem effectively:
 - Strong local leadership
 - Mapping the problem
 - Multi-agency collaboration
 - Assessment and referral
 - Targeted and effective interventions – enforcement, routes out, prevention
 - Criminal justice and breaking the cycle
 - Mobilising communities
110. The advice and guidance contained in the report is being matched by practical support and funding to ensure that local areas are able to implement known best practice that will deliver results:
 - The Government has committed £10 million in Home Office funding in 2012/13 to support up to 30 local areas to improve the way mainstream services work with the young people most at risk of violence. This is about recognising that gang activity is most clearly understood and best tackled at a local level.
 - At the same time we are establishing a new Ending Gang and Youth Violence Team, working with a virtual network of over 100 expert advisers to provide advice and support to local areas.
111. It is also essential that support is available for those young people at risk of committing crime more generally, and the involvement of local voluntary and community sector projects is key in delivering this.

112. The Home Office is providing £5 million in 21012/13 to 91 local projects as part of the Positive Futures programme which aims to deliver prevention and diversionary activities for vulnerable young people. In 2010/11 over 57,000 young people participated in the Positive Futures and over 38,000 positive outcomes were recorded, such as improved self esteem, employment and qualifications.
113. In addition the Choices programme received funding of £4 million last year to help local projects prevent and tackle substance misuse and the offending related to it. It involved over 10,000 young people between the ages of 10 and 19 and will provide invaluable learning to help local areas deliver effective early preventative work.

The Youth Justice System

114. If and when preventative measures fail it is essential that the youth justice system is effective and has a focus on rehabilitation and restoration, to prevent young people from falling into a pattern of re-offending that lasts into adulthood. As such, the Government has introduced a number of measures to reduce the effect that youth custody has on young people. For example we have:
- Introduced legislation to repeal the Final Warning Scheme and juvenile penalty notices for disorder, and introduced a flexible system of youth cautions and youth conditional cautions. These will ensure cases are not prosecuted unnecessarily and allow assessment and rehabilitation programmes to be consistently applied.
 - The cross-government Health and Criminal Justice Liaison and Diversion programme, led by the Department of Health, includes schemes for children and young people which aims to assess their health needs and any vulnerabilities as early as possible after they start to exhibit offending behaviour, so that decisions about any treatment needed to address underlying issues can sit alongside decisions on appropriate punishment, with the ultimate aim of preventing a pattern of further offending.
 - Launched four Youth Custody Pathfinder pilots in October 2011, with the aim of incentivising local authorities to reduce the use of youth custody and prevent young people escalating through the justice system.

115. The family remains at the heart of our strategy to help tackle youth offending. Youth Offending Teams carry out a range of interventions aimed at supporting parents of young offenders to take responsibility for their children. We are working closely with the Youth Justice Board to drive effective practice in this area and, where parents do not engage voluntarily, a Parenting Order can be imposed.

Getting young people back on track: the Fairbridge programme

The Fairbridge programme, part of The Prince's Trust, supports disadvantaged young people aged 13-25, giving them the motivation, self-confidence and skills they need to change their lives. The programme runs from the 15 Prince's Trust centres throughout the UK.

Luke started causing trouble after his mum died. He became involved with a local gang and was eventually excluded from his school for bad behaviour. His key worker recommended he try the Fairbridge programme to get back on track. Luke started with an Access Course – a range of challenging outdoor activities such as climbing, canoeing and caving – designed to build confidence, develop team work and challenge negative behaviour.

“With the support of my Outreach and Development Worker I started focusing and doing longer courses like health and safety, team bonding and cooking” says Luke. “Fairbridge helped me take on my own responsibilities and grow up. It felt good.”

Luke's success led to him being offered a place on a bricklaying course at Lambeth College. When he's not at college, Luke has a job as a youth worker through the Trainee Youth Leader Apprenticeship Programme. Now aged 17, Luke says: *“Fairbridge is like a second family. They take you away from all the stresses of home, talk to you on an equal level... Without them I'd still be in gangs, which in the real world means I'd either be in jail or dead.”*

116. In addition, the National Offender Management Service is continuing to provide support to the children and families of offenders, which we know can have a positive effect on the way these families function⁶⁷ and should in turn help to reduce the pattern of offending passing down the generations (we know that 65 per cent of boys with a convicted parent go on to offend).⁶⁸

⁶⁷ University of East Anglia, 2009, *Family Man and Fathers Inside: A Summary of Safe Ground's work on its prison-based family relationship and parenting programmes from 2005-2008*.

⁶⁸ Murray, Joseph, and Farrington, 2005, *Parental Imprisonment: Effects on Boys' Antisocial Behaviour and Delinquency through the Life-Course*. *Journal of Child Psychology and Psychiatry* 46:1269–78.

Young people not in education, employment or training (NEET)

- 117. The move from education into training or work is a critical time for young people. The direction their lives take at this juncture is highly significant in determining longer term life outcomes. We know that children who have experienced disadvantage are at the greatest risk of long-term disengagement and we are clear that we want to end these cycles.
- 118. In our Participation Strategy, *Building Engagement, Building Futures* published in December 2011, we set out how our existing strong series of reforms to schools, vocational education, skills and welfare provision will all help to increase the number of young people who are engaged in education, training and work.⁶⁹
- 119. In the next chapter we explain how the new £1bn Youth Contract will provide focused support to help some of the most vulnerable 16- and 17-year-olds into learning or a job with training, including apprenticeships.

The future

- 120. Our reforms demonstrate that this Government recognises the importance of tackling the root causes of educational failure and youth disengagement.
- 121. Keeping young people on track and providing them with the opportunities they need is not a short term challenge – it will take many years to see the impact of our reforms work their way through, as today’s children reach adulthood.
- 122. But we are clear that we are taking the right steps towards the long term outcomes we want to see: improved attendance and behaviour in school; fewer children dropping out of the mainstream system; better outcomes for disadvantaged children – significantly narrowing the achievement gap between children from the most and least disadvantaged backgrounds; and introducing more effective interventions to prevent young people from falling into the hands of gangs and the youth and criminal justice system, alongside credible exit routes for those who are already involved.

⁶⁹ HM Government, 2011, *Building Engagement, Building Futures*.

The importance of work

3

In this chapter we set out this Government's new contract with the British people on work and welfare, how we are ensuring every person facing disadvantage can move towards work, and why the Government believes that everyone who can, should work.

That contract, as set out in *Universal Credit: welfare that works* (published 2010), is:

- Those who are unable to work will be supported.
- At the same time, this Government is unashamedly 'pro-work'. We believe in work and its wider benefits. We recognise work as the best route out of poverty, and we will reward those who seek a job.
- Thirdly, this Government pledges to *deliver fairness for those who fund the system: taxpayers.*

- 123. Work has the potential to transform the lives not just of individuals but of whole communities.
- 124. The benefits of work are far wider than just remuneration. We know that work provides a sense of purpose and personal responsibility and enables parents to act as role models for their children. For people recovering from problems like substance dependency or mental ill health, work can provide a route towards recovery, providing a structure to the day and a sense of progress and achievement.⁷⁰
- 125. Work has wider benefits for communities, fostering aspiration in young people and breaking the cycle of worklessness and entrenched poverty that has become a feature of too many communities in the UK.

The problem

- 126. Worklessness is a significant problem in many parts of the UK, with around 3.9 million households where no-one works – nearly one in five of all households. In about 1 million of these households, there are children who have no working adult to look up to as a role model.⁷¹
- 127. Children growing up in workless households are more likely to experience worklessness themselves: research shows that sons are more than twice as likely to experience workless spells themselves if their father was out of work throughout their childhood.⁷²
- 128. High rates of worklessness are not just a symptom of the economic downturn. Since 1996, the number of households where no-one has ever worked has more than doubled from 132,000 to 297,000 – 1.4 per cent of all households in the UK.⁷³
- 129. We know that one third of people in workless households live in just ten per cent of local authority areas.⁷⁴ To make a difference, we need to focus our efforts on reaching those families and communities where worklessness has become all too common. We want to equip people with the skills and ability to find and flourish in work, which will benefit them and the wider community.

70 Waddell, G. and Burton, K. A., 2006 *Is work good for your health and well being?*; Black, C., 2008, *Working for a healthier tomorrow*; Perkins, R. et al, 2009, *Realising Ambitions, Better employment support for people with a mental health condition*; Marmot, M., 2010, *Fair Society, Healthy Lives, The Marmot Review*.

71 Office of National Statistics, 2011, *Working and Workless Households*. Workless households are households, with at least one member aged 16 to 64, where no-one is currently working.

72 Johnson, P. & Reed, H. *Intergenerational Mobility Among the Rich and Poor: Results from the National Child Development Survey* Oxford Review of Economic Policy, Vol. 12 (1) (1996) p.127-143.

73 Office of National Statistics, 2011, *Working and Workless Households*.

74 HM Government, 2010, State of the nation report: poverty, worklessness and welfare dependency in the UK.

130. It is clear that the welfare system this Government inherited has acted as a driver for these trends:
- Its complexity and failure to incentivise employment trapped people in the security of claiming benefits, unsure of whether they would be better off in-work.
 - Back to work support was overly prescriptive and complex with multiple forms of support, provision determined by benefit type not the needs of the individual, and payment systems built around processes, not results – meaning that people did not get effective support that was right for them individually.
 - Too many people had been written off on incapacity benefits because they have a health condition or impairment, without support to move towards work – meaning that people were not encouraged to think about returning to work.
131. Through our ambitious programme of welfare reform, we are transforming this picture.

Challenging the culture of worklessness

132. This Government wants to change the way people think about work and its wider benefits. We are encouraging people to make choices that have the potential to transform their lives, ensuring that work rewards those who take it, and making it clear that choosing not to work when you are able is no longer an option.
133. The benefit system should help people transition into work, not act as a barrier to it. That is why this Government is making work pay by:

Smoothing the journey into work

134. We are combining in-and out of work benefits in the new Universal Credit. This will make the transition from benefits to work significantly easier. Universal Credit will dramatically simplify the process of applying for different benefits as people move in and out of work or between jobs, which will eliminate the insecurity caused by gaps in income. Because the system will be simpler, it will also be much easier for people to understand how much better off they would be if they were to move into work.
135. We are making work pay for more people by reducing the rate at which we withdraw benefit as people start earning more money. This will improve the incentive to increase their working hours for around 1.2 million people.
136. We are also making Universal Credit benefit payments in a single monthly payment, which will help low income households develop a greater responsibility for managing their household budget. Paying people monthly will support people on benefits to budget in the same way as they would need to do if they were in work and receiving a monthly wage, ensuring that they will be better prepared and more in control of their money when they do move into work.

137. We recognise that some people may need additional help to budget, particularly during the transitional period. We are working with a variety of government and third sector organisations to ensure claimants can access appropriate budgeting support to help them to manage their money successfully. We are also working with a range of banking and financial product providers such as banks, building societies, credit unions and others to make financial services more accessible and supportive to claimants (see chapter four).
138. And we are ensuring that those who can work make the right choices:
- Our reforms to Housing Benefit and the introduction of the benefit cap will create a more level playing field between those in and out of work, ensuring that everyone has the same incentives to work.
 - By strengthening the sanctions regime we are ensuring that there are consequences when people claiming benefits do not fulfil their responsibilities.
139. This combination of incentives and consequences is at the heart of our commitment to vulnerable people. The Government will do everything it can to make sure that taking a job is the logical choice, but we expect the individual to make that choice.

Supporting people into work

140. The implementation of Universal Credit will help to transform the way people think about work, and encourage them to take the leap into employment without fearing they will be financially worse off.
141. But individuals and families facing multiple disadvantages routinely face a range of barriers in their efforts to get and keep a job, for example the stigma attached to someone with a criminal record who is applying for work. Therefore as well as ensuring people have the right incentives, we need to offer the right support to help them successfully gain relevant skills and move into work.
142. Over the past year we have made significant improvements to the way that we support people facing these kinds of challenges. We are simplifying the complex range of support on offer to people looking for work and are making support flexible and relevant to individuals rather than process driven. This means that employment support will be much more personalised and relevant for people with disadvantages who may face greater difficulties getting into work.
143. We are offering improved support to help people volunteer, train or undertake work experience, including building closer links between training organisations and local Jobcentre Plus offices to prepare unemployed people for work through innovative combinations of training and work experience. We are also giving Jobcentre Plus advisers much greater flexibility to focus appropriate resource where it is needed, including access to the Flexible Support Fund - around £100 million which can be used by Jobcentre Plus to provide locally based, joined-up support.

144. We are ensuring that people with multiple and complex barriers are able to access relevant support by utilising the expertise of community and voluntary sector organisations through initiatives like Work Clubs and Enterprise Clubs, and by ensuring that all Work Programme providers have voluntary sector organisations in their supply chain.
145. For a small number of people we are introducing Mandatory Work Activity, which provides extra support to those who would benefit from a short period of activity. This is designed to help people re-engage with the system, refocus their job search and gain valuable work-related disciplines such as attending work regularly and on time, carrying out specific tasks and working under supervision.

Jobcentre Plus working in partnership: Birmingham and Solihull

As part of the Social Justice agenda, Jobcentre Plus is further extending its service reach and community engagement to provide better and specialist support for claimants with the most complex needs.

Local voluntary and community sector partners like the Princes Trust, Volunteering England, NAVCA and Shelter are co-locating in Jobcentre Plus offices to provide claimants with on-site access to enhanced advice.

In the Birmingham and Solihull area, seven Jobcentres run an Intensive Activity programme which involves drug workers holding weekly surgeries in Jobcentres to support customers with drug and alcohol problems. A two-way training programme ensures that advisers are taught to recognise signs of drug use and drug workers are aware of DWP programmes.

This joint support helped a couple expecting a baby make a new start.

During an interview, the Jobcentre Plus adviser identified a male claimant in severe hardship due to dependence on heroin and crack cocaine. The claimant's partner was six months pregnant and both were desperate for specialist help.

Following an introductory session involving the adviser and specialist drug worker, both the claimant and his partner built up a strong relationship with the drug worker, and agreed to undergo treatment for their drug and alcohol dependence. Since their baby was born, the couple's life has been transformed: the claimant is no longer involved in any illegal activity to fund his drug habit and has started part-time work.

The Work Programme

- 146. The Work Programme, introduced in June 2011, is the biggest single employment programme Great Britain has ever seen, bringing together support for claimants on a range of benefits and delivered by providers offering tailored, locally-appropriate employment support.
- 147. By giving providers of the Work Programme freedom to design support around the needs of the individual, rather than enforcing a one-size-fits-all approach, and by offering the greatest financial rewards for helping people with the greatest need, we are encouraging providers to find new and innovative solutions to getting individuals facing multiple disadvantages back to work.
- 148. We are also giving some specific groups early access to the Work Programme, so that they can benefit from it as early as possible in their claim: care leavers, people who are substance-dependent, homeless people and offenders may be offered early entry onto the Work Programme.
- 149. The transformation of mainstream employment support such as the Work Programme goes a long way to tackling worklessness, but it is not enough on its own to tackle the entrenched and intergenerational worklessness in some communities. We are therefore putting in place other targeted measures to address specific risks.

Supporting disadvantaged young people

- 150. Young people are particularly at risk of being scarred by long periods of unemployment which can affect them well into their adult lives. Therefore, we have recently announced a new Youth Contract, worth around £1 billion, which is designed to prevent a new generation of young people falling into the trap of long-term unemployment. We want to ensure that every unemployed young person starts earning or learning again.⁷⁵
- 151. Within this, extra funding is being made available to support the most vulnerable 16- and 17-year-olds not in education, employment or training into into learning or a job with training, including apprenticeships.

⁷⁵ HM Government, 2011, *Building Engagement, Building Futures*.

152. The Contract will provide:
- £150 million of additional funding over three years to provide intensive support to re-engage the most vulnerable 16- and 17-year-olds using a payment by results system.
 - Extra support from Jobcentre Plus for all 18-24-year-olds, including extra adviser time, to help young people find employment.
 - An offer of a work experience place for every unemployed 18-24-year-old who wants one before they enter the Work Programme, to give them real, valuable experience of work.
 - 160,000 job subsidies for employers who recruit an 18-24-year-old from the Work Programme, meaning that the Government pays an employer up to £2,275 to take a young person out of unemployment and into work.
 - At least 20,000 extra incentive payments worth £1,500 each for small employers to take on their first apprentices aged 16-24, taking the total number of such payments available to 40,000 and encouraging more employers to give young people work and training for a career.
153. We have also introduced a new Innovation Fund (see page 66), worth £30 million over three years, which will pay for results achieved by partnerships of social investment bodies and voluntary sector organisations in helping young people aged 14 or over to participate and succeed in education or training.

Supporting troubled families into work

- 154. To try to halt the cycle of inter-generational disadvantage that can be seen in some families, we have put in place work-focused support specifically for troubled families in England where no-one is working or where there is a history of inter-generational worklessness.
- 155. This £200 million support, funded by the European Social Fund, will be tailored to individual families' needs, offering family members the opportunity to engage in work-related activities, address issues which are preventing them from working and enhance their chances of returning to the labour market, either directly or through the Work Programme.
- 156. This programme is a part of the wider work we are doing to provide coherent support across government for troubled families (see page 22). The programme is an additional piece of work designed specifically to tackle the problem of inter-generational worklessness.

Supporting people with disabilities and health conditions into work

- 157. We know that people living in our most deprived areas are disproportionately affected by poorer physical and mental health and long-term conditions that can mean they face additional barriers to work. Unemployment can exacerbate these health issues: work is generally good for physical and mental health and well-being while worklessness is associated with poorer physical and mental health and well-being. This is a point that has been explicitly recognised by the Government with the inclusion of an indicator on the employment of people with long term physical and mental health conditions within the Public Health Outcomes Framework.⁷⁶
- 158. Many people with health conditions who face barriers to work now can and should work in the future. To support that, the majority of Employment and Support Allowance (ESA) claimants are expected to undertake some work-related activity, and are offered early access to the Work Programme. In addition all ESA claimants who want to can access the Work Programme from the very start of their claim. In England, that offer has been extended to everyone in receipt of Incapacity Benefit and Income Support. This means anyone receiving ESA can decide to benefit from the Work Programme at a time that is appropriate for them.

Providing specialised support to get people back to work: the Work Programme

Paul had been claiming health-related benefits for four years when he was referred to Reed in Partnership to take part in the Work Programme. He was suffering from various health issues, including alcoholism, and was struggling to find any motivation.

Paul says, "Living on benefits seemed to be the easier option, my health was poor and I didn't want to make things worse by finding work and coming off benefits."

Following a discussion about his issues with alcohol with a Reed in Partnership adviser, Paul started attending HAGA, a local charity specialising in alcohol advice. He was also referred to Reed in Partnership's in-house Health and Well-Being Team where he received treatment for depression and anxiety.

He says, "Going to see my Adviser at Reed in Partnership got me out of the house on a regular basis and kept me going, which gave me the motivation to find employment."

Following intensive interview preparation and help with the costs of work clothing and travel, Paul secured a job in construction, which he greatly enjoys. He would like to set up his own business in the future.

He says, "Reed opened my eyes to what I was missing out on by staying on benefits. Once I knew there were opportunities out there it gave me the motivation to tackle my health problems and get my life back on track."

159. For those who cannot realistically be expected to move towards employment in the short to medium term, work-related support is available, but there is no obligation to carry out work-related activity.
160. We recognise that some people with more complex barriers to employment may not find the Work Programme suitable as a route into employment. For these people, more specialist provision, such as Work Choice, is available.
161. Work Choice is designed to ensure that people with more complex support needs, that cannot be met through other employment support provision, have access to the right support to help them find work or self-employment, progress in the workplace or, where appropriate, move into open unsupported employment. Work Choice participants get consistent, quality support from providers based on their individual needs.
162. The key link between work and health is one that has been acknowledged not only in the extra support that we give to help people with health conditions and disabilities achieve work related outcomes, but also in the focus on work in helping to achieve health outcomes. As such the Government has also included an indicator on the employment of people with long term health conditions within the Public Health Outcomes Framework.⁷⁷

Skills for work

163. It is equally important that we ensure people facing disadvantages are able to exploit the employment opportunities available and we know that improving skills levels is central to this. Those with no qualifications have an unemployment rate of 16 per cent, four times that of people with higher education qualifications.⁷⁸ Improved skill levels help people take better advantage of available employment opportunities, potentially offering people experiencing disadvantage a second chance in life.
164. This Government continues to support a further education and skills system which gives adults of all ages a second chance at education whilst prioritising funding for those who need it most: relatively low skilled young adults, those who need English and maths skills, and those seeking work.
165. In particular, we are supporting the attainment of GCSE English and maths at A*-C grade by all those who have not yet attained this standard. Employers tell us that English and maths skills are a priority for them, particularly for young people entering the labour market with limited experience, so helping disadvantaged people achieve these skills is vital if we want them to get into sustainable employment and have a second chance in life.
166. We are significantly expanding the number of Apprenticeship places available to provide clear routes into skilled jobs, and establishing sector-based work academies to help unemployed people train for specific vacancies in their area.
167. We are also making reforms to the Department for Business, Enterprise and Skill's £210 million annual Community Learning budget which will enable people to become more involved in decision-making about their local community learning provision, including piloting new Community Learning Trusts in 2012/13. Community Learning can transform attitudes and help people develop the skills that make a real difference to their lives and job prospects, especially for the most disadvantaged individuals and communities.
168. Ultimately, we are keen to see people who are facing disadvantages take full advantage of education and skills provision at every level. There is no reason why people experiencing multiple disadvantages should not be able to benefit from higher education opportunities where possible – as set out in the introduction, one of our case studies, Barry, has gone from drug dependency and crime to employment and is currently studying for a degree.
169. We are providing access to higher education diplomas that support students who have few, if any, qualifications. These are targeted at groups that are under-represented in higher education and are designed and developed by local further and higher education institutions working in partnership.

The future

170. We are clear what we are aiming for with these reforms. Work and employment should be the norm for everyone who can work. The opportunities and rewards of working life should be clear and should inform the aspirations of children and young people. By moving into employment, people move away from a state of dependency and experience wider positive effects as individuals' and families' lives and the communities in which they live, are stabilised.
171. With this in mind, we are also clear about the tangible outcomes we want to see over the longer term: more households with at least one member in sustained work, with a focus on reducing the number of young people out of work and the number of children growing up in workless households; more households being financially independent through work; more people with multiple barriers to work moving closer to the labour market. And, critically, a change in attitudes. Work must be seen as desirable and something to be aspired to, and a life on benefits for those who can work must become unacceptable.

Supporting the most disadvantaged adults

4

In this chapter we set out what the Government is doing to support adults facing multiple disadvantages to rebuild their lives.

We describe what this Government is doing to tackle issues like:

- homelessness
- re-offending
- drug and alcohol dependency and mental ill health
- problem debt

and explain our renewed focus on **recovery, reintegration into family and community, and sustained employment** as outcomes.

172. As earlier chapters of this strategy set out, this Government is committed to a preventative approach to social policy, prioritising interventions that will support families and children to lay the right foundations for their lives and prevent problems developing in the future.
173. But we know this cannot be a panacea. Lives can go off course – and when they do, we want to ensure that responses are as effective as possible, and that people always have a second chance in life.
174. We know that people experiencing entrenched problems like homelessness or sustained substance dependency, which tend to be indicative of multiple disadvantages, risk falling between gaps in services.
175. When problems combine and compound one another individuals can struggle to access the right support. The worst affected can become socially excluded, living chaotic lives and shut off from the sources of support and services they need to start to recover – incurring large human and financial costs both to themselves and to society.
176. We need to ensure that support for these groups is both well-timed and well-coordinated. Support should address the root causes of problems and aim to bring about long-term change in people's lives. Recovery and reintegration into the community, including sustainable employment, must be the goal of all support for the most disadvantaged adults.

The problem

177. We can use data held by government, local services and support organisations to understand the numbers of people facing particular types of disadvantage at any one time.
178. For example, in England and Wales, estimates suggest that there are around 42,000 people living in hostels at any one time;⁷⁹ over 306,000 heroin and crack cocaine users;⁸⁰ over 87,500 people in prison.⁸¹
179. What is more complex is understanding the extent to which these problems cause and compound one another, leading people into a state of multiple disadvantage that may require different levels or types of support.⁸²
180. Various studies have attempted to define and quantify multiple disadvantages. For example, the Cabinet Office has used the term ‘multiple disadvantage’ to refer to a combination of three or more problems such as unemployment, poor skills, low income, poor health, poor housing, family breakdown and high crime. By this measure, around five million people in the UK (around 11 per cent of the UK population) were classified as currently experiencing multiple disadvantages in 2010, with 800,000 people doing so persistently for five or more years.⁸³
181. The work currently being led by Louise Casey (see page 22) is informed by analysis that has identified a group of the 120,000 most troubled families in England. This will focus upon those families not in work, whose children are not attending school and who are involved in crime or anti-social behaviour.
182. In a separate analysis outlined in their 2011 report *Turning the Tide: A vision paper for multiple needs and exclusions*, Revolving Doors Agency and the Making Every Adult Matter (MEAM) coalition identified a smaller, separate group of 60,000 adults experiencing multiple needs and exclusions, which they define as men and women experiencing several problems at the same time, who have ineffective contact with services and who are living chaotic lives.⁸⁴

79 Homeless Link, 2011, *Survey of Needs and Provision 2011: Services for homeless single people and couples in England*. London, Homeless Link (November 2010 data).

80 Hay, G and Bauld, L, 2008, *Population estimates of problematic drug use in England who access DWP benefits: A feasibility study*, Department for Work and Pensions Working Paper No 46.

81 Ministry of Justice, weekly prison population bulletin – taken 17 February 2012.

82 Joseph Rowntree Foundation, 2011, *Tackling Homelessness and Exclusion: Understanding complex lives*, York, JRF.

83 Analysis using BHPS 2007 data cited in HM Government, 2010, *State of the nation report: poverty, worklessness and welfare dependency in the UK*.

84 Revolving Doors Agency and the Making Every Adult Matter (MEAM) coalition, 2011, *Turning the Tide – a vision paper for multiple needs and exclusions*.

Building a clearer picture

183. There is more work to do to build a clearer picture of people experiencing multiple disadvantages and this Government's work to improve data sharing is helping with this.
184. For instance, we have linked data on the sentencing and offence records of offenders held by the Ministry of Justice with benefit, employment programme and employment data held by the Department for Work and Pensions and Her Majesty's Revenue and Customs to provide a much clearer picture of the links between offending, employment and benefits.
185. The results have already been used to change policy, for example by building the case for bringing forward the Work Programme for offenders leaving prison to the first day of their Jobseeker's Allowance claim, meaning that people leaving prison will be able to access specialised employment support 'at the prison gates' from March 2012 (see page 53).
186. Departments are now working together and with local authorities to explore the scope for greater data-sharing in a range of areas – including to support troubled families and to tackle gang-related violence.

New approaches to tackling multiple disadvantages

187. Since coming to power this Government has set out new policy approaches to homelessness, offender rehabilitation, drug and alcohol dependency, mental health, health inequalities and financial exclusion and problem debt. Because problems are often interrelated and mutually re-enforcing, we are clear that support from different organisations needs to be joined-up, to tackle the root causes of a person's problems, and to be sustained over the long-term.
188. Below we outline the work we are doing to tackle key areas of disadvantage.

Preventing homelessness and improving outcomes for homeless people

189. The Government is looking at ways of addressing the wider support needs that homeless people often have, as well as the urgent issue of placing them in stable accommodation.

190. In our first report on homelessness focusing on rough sleeping,⁸⁵ we announced a series of measures aimed at tackling the most visible, critical manifestation of homelessness:
- Working to rapidly identify, assess and support new rough sleepers before they become habituated to rough sleeping, a crucial first step in moving people back towards re-integration.
 - Providing £42.5 million for improvements to hostels through the Homelessness Change Programme, increasing the number of hostel beds available and making hostels more positive, supportive places for rough sleepers to recover and move back into the community.
 - Improving homeless people's access to, and outcomes from, health services as part of the Inclusion Health programme (see page 57), helping homeless people access basic health care and preventative treatment rather than relying on crisis services.
 - Giving homeless people early access to the Work Programme to move them back into employment.
 - Helping local authorities and the voluntary sector take steps to prevent individuals becoming homeless through the £400 million Preventing Homelessness Grant, which funds preventative interventions such as deposits to help people to move into privately rented housing or mediation services to resolve issues that might otherwise lead to people leaving their home.
191. Since then we have taken this work further. A Ministerial Working Group on homelessness is currently considering measures to address the underlying causes of homelessness. These would be designed to prevent people losing their homes and provide integrated support services to ensure the complex needs of homeless people are addressed during their recovery. The group is considering homelessness in all its forms – including people at risk of homelessness and people depending on friends and family for short-term accommodation but with no stable place to call home. The Government will publish a report of this work in the spring.
192. We also recognise the importance of acting early to ensure people have access to stable housing. We have committed to work with partners to roll out the principles of No Second Night Out – the Mayor of London's approach to rapidly identifying and supporting new rough sleepers so that they do not have to spend a second night on the streets. A £20 million Homelessness Transition Fund has been launched to help front-line voluntary sector providers to deliver the programme and other innovative approaches. We are also developing a No Second Night Out reporting line and website to be put in place by Christmas 2012.

⁸⁵ Department for Communities and Local Government, 2011, *Vision to end rough sleeping: No Second Night Out nationwide*.

A commercial approach to rehabilitation: Recycling Lives

Recycling Lives is a commercial recycling business which maintains a charity for homeless and unemployed people, providing them with accommodation, employment, training and education. 80% of Recycling Lives residents are employed directly by the recycling business – the rest are employed by local businesses with whom Recycling Lives has built partnerships.

After Sparky was released from prison, he struggled to find a home or a job. Recycling Lives helped him turn his life around.

Sparky couldn't believe he was living on the streets: *"I'd get up, have a few cans, mess about with drugs or commit crime. I didn't think about the future, all I could do is go day by day and try to find somewhere warm to get my head down."*

Sparky eventually found a place in a hostel, where he was introduced to Recycling Lives. The organisation breaks down the barriers that homeless people often face in accessing support by providing everything in one purpose-built centre.

Steve Jackson, founder and CEO of Recycling Lives, explains: *"Our commercial approach, via the recycling business, gives us a sustainable model to operate the charity. This is not just a housing option, this is a lifestyle change. We provide a pathway to full-time employment and opportunity for people to break the cycle of dependence they are in."*

Sparky has worked hard to gain almost 40 qualifications both with Recycling Lives' in-house training department and with partner education institutions, including: literacy, numeracy, computer skills, first aid, industrial cleaning and furniture restoration. Sparky adds: *"I'm planning to set up my own cleaning business and I want to employ other people who've come through Recycling Lives to run it with me. My life is so different now. I'm proof that Recycling Lives works."*

Improving outcomes for repeat offenders

193. The Government's Green Paper on tackling re-offending, *Breaking the Cycle* (December 2010) recognised that a significant proportion of crime is committed by offenders who have multiple problems and set out a commitment to rethink our approach to rehabilitation for offenders.⁸⁶ We need to ensure that people are able to break the cycle of offending at the earliest opportunity by accessing support services that tackle their problems and help them reintegrate into families, jobs and communities.
194. Measures we are taking include:
- Giving support and rehabilitation service providers the freedom to address the totality of offenders' needs, and supporting innovative delivery of these services – such as the HMP Peterborough Social Impact Bond launched in September 2010, which funds the provision of tailored rehabilitation services for up to 3,000 short-term offenders discharged from HMP Peterborough.
 - Supporting Integrated Offender management approaches which are helping to bring greater coherence to local arrangements for tackling crime and re-offending priorities, particularly amongst the most damaging offenders, including by focussing on rehabilitation.
 - Supporting vulnerable women offenders by supporting women's community services which focus on re-offending and wider Social Justice outcomes including drug and alcohol treatment.
 - Piloting custody-based family support workers who look at an offender's rehabilitation in the context of their family, helping them rebuild relationships and develop a more positive family environment – we know that families have a key role to play in the rehabilitation process, and that prisoners who received visits by a partner or family member have significantly lower re-offending rates one year after release (52 per cent re-offend) than those who were not visited (70 per cent re-offend).⁸⁷
 - Transforming prisons into industrious places where prisoners are expected to experience a full working week through meaningful and productive work, to ensure that they are better equipped for working life upon release. As set out in *Making Prisons Work: Skills for Rehabilitation*,⁸⁸ we will improve support for prisoners to secure relevant vocational skills as they prepare for release.
 - Ensuring all offenders claiming Jobseeker's Allowance will have access to personalised support through the Work Programme immediately they leave prison (introduced from March 2012), so that they are able to benefit from personalised employment-focused support 'at the prison gates'.
 - Working to increase the range of housing that offenders are able to access on release from prison, for example by commissioning Crisis to improve access to private rented housing, to reduce the number of ex-offenders who become homeless following release from prison.

⁸⁶ Ministry of Justice, 2010, *Breaking the cycle: effective punishment, rehabilitation and sentencing of offenders*.

⁸⁷ May, C., Sharma, N. and Stewart, D., 2008, *Factors linked to reoffending: a one-year follow-up of prisoners who took part in the Resettlement Surveys 2001, 2003 and 2004*. London: Ministry of Justice.

⁸⁸ Department for Business, Innovation and Skills, 2011, *Making Prisons Work: Skills for Rehabilitation*.

Getting lives back on track: The Timpson Foundation

The Timpson Foundation works with 72 prisons across the UK to provide full time work for ex-offenders whilst on release on temporary license and after release. Full training and work experience is provided in special prison-based facilities and in Timpson and Max Spielman stores. They also give extra assistance for other basic needs, such as help with a deposit for accommodation on release.

Whilst in prison serving a five year sentence, Sarah was told about the Timpson Foundation training scheme and seized the opportunity.

Sarah says: "I didn't want to be alive. I didn't have anyone in my life I could turn to and I couldn't see any sort of future at all. I thought I'd end up in the gutter. But one day the Head of Education in the prison introduced me to a representative from Timpson, and a few weeks later they offered me a job."

In just 12 months Sarah has gone from apprentice to become a Max Spielman branch manager. She says: *"I've got everything I've ever wanted. I've built a relationship back up with my foster parents, I rent my own house and I've got a great job that I absolutely love and know is going places if I keep working hard. I truly never believed my life would end up like this at all, and it's all because of the support I've had from Timpson."*

Through the Business in the Community forum, the Timpson Foundation is now working with other businesses to share their expertise and encourage them to work in a similar way. The head of the Timpson Foundation, Dennis Phillips adds: *"Our retention rate through the Foundation is phenomenal, and that's because of the support we give people. Without doubt, we're reducing the re-offending rate. As businesses we can all do our bit to help get people working and off benefits, paying tax, and get their lives back on track."*

Tackling drug and alcohol dependency

195. This Government believes that support for people facing drug and alcohol dependency needs to focus on a clear set of end goals: recovery from dependence, reduced offending, improved mental and physical health, sustained employment and improved relationships with family members, partners and friends.
196. In our drug strategy *Reducing Demand, Restricting Supply, Building Recovery: supporting people to live a drug free life* we made clear the importance of working to achieve sustained recovery and ensuring people with drug and alcohol problems are able to undertake an individual, person-centred approach to treatment that addresses their particular needs.⁸⁹
197. In the past there has been a failure to integrate wider support into rehabilitation plans. We need to ensure that people are able to address the problems that underlie their dependence – such as family breakdown, trauma or mental ill-health – and build a new, more productive life. It is not enough simply to help people stabilise their dependency – we need to ensure they have a second chance in life.
198. We are:
- Piloting a payment by results structure which rewards providers for helping clients stop offending and become drug or alcohol free, and improving recovery services by allowing providers to work with other agencies that support drug users (such as criminal justice agencies and housing providers) to tailor support to individual client needs.
 - Introducing Family Intervention Workers to provide residential, whole-family interventions to support the needs of families with a drug dependent parent or parents, improving family relationships and helping the children involved live more stable lives.
 - Helping offenders with alcohol and drug dependency problems break the cycle of drug use and criminal behaviour by piloting drug recovery wings in prisons. These provide prisoners serving short sentences with intensive support during recovery as well as relationship and employment support, enabling them to re-establish themselves in their family and community.
 - Providing continued support for programmes which focus on drug using offenders and involve early targeting and referral to treatment and recovery interventions at all stages of the criminal justice system.
199. In addition, the Government will shortly be publishing a new alcohol strategy that will set out a co-ordinated approach to tackling the health and social impacts of alcohol-related harm at a national and local level.

⁸⁹ Home Office, 2010, *Drug Strategy 2010: Reducing Demand, Restricting Supply, Building Recovery: supporting people to live a drug free life*.

200. Worklessness and social exclusion are two of the key determinants of poor mental health. Poor mental health may result in an individual finding it more difficult to get and keep a job and to function meaningfully within their family and community, and can lead to people falling into damaging behaviours like crime or drug and alcohol dependency. Mental health problems can therefore be particularly damaging for both individuals and families, and may leave people needing support from several different services.
201. In *No Health Without Mental Health*⁹⁰ we set out our intention to trial new, localised methods of commissioning and delivery of services to ensure that mental health conditions are not addressed in isolation but as a part of the wider issues facing an individual or family.
202. We intend to publish a full implementation framework for *No Health Without Mental Health* in May 2012. This will set out what local organisations can do to implement the strategy, including how health and care organisations can come together with others to ensure an integrated response for people whose needs include mental health.
203. We are particularly concerned to prevent disadvantaged people with mental health conditions falling into cycles of offending and anti-social behaviour, often as a result of their condition not being recognised and treated appropriately. We are therefore improving the early identification of mental health issues in offenders by health and criminal justice agencies and ensuring that people can access appropriate support and diversion services. We are aiming to have liaison and diversion services available in police custody suites and courts by 2014.

Overcoming health inequalities

204. Improvements to services for people with mental health problems are part of a larger effort by the NHS, local government and other public services to make support more responsive to the needs of people facing multiple disadvantages.
205. Improving the health of the poorest fastest is a key Government aim, as set out in *Healthy Lives, Healthy People*.⁹¹ People living in our most deprived areas generally tend to be less healthy than their wealthier peers – with a difference of 17 years in male life expectancy between London’s richest and poorest wards.⁹² And poor health can itself be a barrier to work and social inclusion, hindering people’s attempts to improve their lives and those of their families.
206. The Health and Social Care Bill proposes new health inequalities duties on the NHS Commissioning Board and Clinical Commissioning Groups to have regard to the need to reduce inequalities in access and outcome, and places greater emphasis on service integration. Local action and delivery through new Health and Well Being Boards will help drive better co-ordination of services at a local level for families and individuals with multiple needs.

⁹⁰ Department of Health, 2011, *No Health Without Mental Health*.

⁹¹ HM Government, 2010, *Healthy Lives, Healthy People: Our Strategy for Public Health in England*.

⁹² Marmot, M., 2010, *Fair Society, Healthy Lives - the Strategic Review of Health Inequalities in England*, p.37.

207. Particularly disadvantaged and vulnerable people are often dependent upon emergency health services rather than preventative or early intervention health support. Under the auspices of our Inclusion Health project, we are working to build an accurate picture of need and promote joined-up care, raised health aspirations and an increased emphasis on prevention and early intervention among particularly vulnerable groups including homeless people and ex-offenders.

Overcoming financial exclusion and problem debt

208. For people living in poverty, debt can be a significant problem and can act as a driver of other forms of disadvantage in the same way as worklessness or educational failure can.
209. Debt can cause anxiety and depression⁹³ and leave people excluded from aspects of life that others take for granted. Problem debt is more prolific in people experiencing other forms of disadvantage like unemployment, family breakdown, ill-health and disability, and these groups are more likely to perceive debt as a burden.⁹⁴
210. People living in poverty are significantly more vulnerable to getting into problem debt – partly because their low income can make repayments more difficult, but also because their backgrounds may mean they missed out on learning money management skills. They may also be less likely to have a good credit rating, limiting their ability to access affordable credit. In some cases this can cause them to rely on companies charging exorbitant rates of interest or loan sharks.
211. We have conducted a feasibility study that shows the potential to increase access to affordable credit through credit unions and we are considering how to take these proposals forward. Credit unions provide credit at affordable interest rates for people with low credit ratings - but currently they lack the capacity to meet demand.
212. The study recommends that credit unions could increase access to basic financial services – banking, savings and credit – for up to a million more people on lower incomes, and that they could work towards becoming self-sustaining in the near future.
213. The changes would transform access to affordable credit and potentially save low income consumers millions of pounds in interest. In addition, the changes would have real potential to develop the sector in a way that could lead to more of these services being available through the post office in the future.
214. The Government is also working more widely to crack down on irresponsible lenders, enable people to make better informed choices about credit and banking services and to reform the bankruptcy process.

⁹³ Office for National Statistics, 2009, *Main Results from the Wealth and Assets Survey 2006/08*.

⁹⁴ Bryan, M, Taylor, M and Veliziotis, M., 2010, *Over-indebtedness in Great Britain: an analysis using the Wealth and Assets Survey*, University of Essex: ISER, Report to the Department of Business, Innovation and Skills.

215. We have provided £5.2 million of funding in 2011-2012 for work to target illegal money lenders (loan sharks) across Britain. By the end of June 2011, this project had:
- initiated the arrest of over 500 illegal money lenders
 - written off over £37 million of illegal debts
 - helped over 16,000 victims of loan sharks, including the most hard to reach individuals.
216. The Office of Fair Trading (OFT) has launched a comprehensive compliance review of its Irresponsible Lending Guidance which will specifically target the payday lending industry and focus on identifying those practices that are the cause of most harm to consumers. The findings will be used to take further enforcement action and drive up standards in this market.
217. We are committed to maintaining an alternative to high-cost lenders by replacing the current system of Budgeting Loans with Budgeting Advances, an interest-free advance of Universal Credit for those on the lowest incomes who would otherwise be vulnerable to high-cost or illegal lenders.
218. We are establishing a new service, the Money Advice Service, to provide comprehensive, free and unbiased advice on money matters including the management of problem debt, funded by a charge levied on the financial services industry.
219. We are consulting on reforms to the bankruptcy process, including examining whether we need to improve the access that bankrupts have to basic bank accounts; replacing the current court system with a more accessible administrative process; and increasing the level of debt on which a petition for bankruptcy or winding up can be brought to ensure that small levels of debt cannot in future bring with them the disproportionate threat of bankruptcy.
220. The introduction of Universal Credit also provides us with an important opportunity to consider how we can help people to better manage their household finances.
221. The payment of Universal Credit in one monthly payment will allow households to improve their access to affordable credit, whilst also making it easier for households to take advantage of cheaper tariffs for essential costs such as utility bills.
222. However, for benefit claimants accustomed to budgeting over a fortnight, we recognise that moving to monthly budgeting may present a challenge and we are considering a range of options for supporting people through this transition.
223. We are working with the banking sector, credit unions, and the Post Office to explore the possibility of new types of accounts ('Jam Jar Accounts') that would allow people to set aside money for such things as rent and fuel bills and give them the option of paying by direct debit.

The future

224. All of these strategies make clear this Government's commitment to co-ordinated approaches to support for people facing multiple disadvantages, focusing on achieving real, lasting improvements in a person's life chances such as securing stable accommodation, a return to employment and a stable family life.
225. We know the outcomes that we want to see over the longer term, at both individual and community levels: a reduction in the number of people dependent on drugs or alcohol, and communities freed from the effects of substance misuse and dependency; higher rates of sustained recovery from drug and alcohol dependency; families and individuals able to access affordable and safe credit, rather than being forced into the arms of illegal money lenders; a reduction in first offences by young people, and a reduction in re-offending by all ages; more ex-homeless people moving into work or training; more people with mental health problems living independent lives, in sustained work.
226. We know that co-ordinated, outcome-focused support delivers better results for a person's life chances in the long term. And co-ordinating the way support is funded and delivered can result in significantly improved value for money – ensuring that more money is available to directly benefit those who need it whilst potentially reducing costs to the tax payer.
227. We recognise that more can be done to support those who are least well served by current approaches. Through this strategy and the work that follows, we want to encourage local areas to design and commission interventions that are better coordinated and that deliver multiple outcomes.

Delivering Social Justice

5

Delivering Social Justice **will require strong leadership** at both national and local levels to champion the principles in this strategy and to deliver for those individuals and families experiencing multiple disadvantages. Delivering Social Justice will also require new and imaginative approaches to designing and funding services, and close partnership between the private, public and charitable sectors.

This chapter is addressed to the people who can help to make all this happen, in:

- national and local government,
- the voluntary and community sector
- mutuals and private companies; and
- amongst investors and philanthropists

In this chapter we set out how the Government is:

- Opening up public services and incentivising providers through payment by results
- Encouraging the development of innovative local solutions through projects like Community Budgets
- Building the social investment market and encouraging growth in philanthropy

The need for strong local partnerships and leadership

228. This strategy makes clear the priority the Government is placing on helping those facing the greatest disadvantage in our society and the new approaches that are needed to turn their lives around. Good progress is being made, but there is still much to do. Importantly, central government is only one part of the broader partnership needed to make Social Justice a reality.
229. Central government has a poor track record of delivering successful outcomes for people experiencing multiple disadvantage, with past approaches being overly prescriptive and insufficiently tailored to meet their often complex needs.
230. Very often it is those working at the local community level, whether in the public, voluntary, or social enterprise sector, who are best placed to identify and drive forward the solutions that are needed.
231. These disadvantaged groups often depend on, and consume, the services of a range of local bodies, whether this is the local housing office, Jobcentre Plus or local health services. We need to ensure services are user-focused, and are constructed around the needs of individuals rather than the boundaries of different agencies.
232. This is a huge undertaking and the resources of central government alone are insufficient. We need to unleash the capacity, capability and energy of the individuals and organisations living and working within the communities affected.
233. There are already many excellent examples of co-ordination and innovation in local areas that are helping to improve service provision for individuals and families experiencing multiple disadvantages.
234. Take the example of Rob and Rachel and their involvement with the LIFE Programme (page 22). Through a partnership between their local council and a social enterprise running an innovative family-centred programme, they received the tailored help they needed – and as a result, pressure was taken off a number of services and agencies they had been calling on for support.
235. Through this strategy, the Government is signalling its strong support for this collaborative work, and our intention to ensure local leaders can support and champion innovative delivery approaches focused on tackling multiple disadvantage.
- 236. We want local leaders to embrace the Government’s vision for Social Justice, to work with us in delivering it and to ensure we are making the most of the potential that exists within our communities.**

Creating the right environment for innovative delivery

237. The Government is helping to lay the ground for this work through its open public services agenda by decentralising power to the lowest appropriate level and allowing for greater innovation in commissioning and delivery so that it suits local needs.

Incentivising providers – payment by results

238. One important way of encouraging better, more innovative service provision is the use of services procured on a payment by results basis.
239. Payment by results incentivises providers to focus on solutions. These solutions will often rely on developing new approaches based on partnership working with local agencies, the voluntary and community sector and mutuals.
240. For example, the requirement for the Work Programme is entirely ‘black box’, specifying only the outcome we want, and has a payment structure that positively encourages providers to focus resources on their hardest-to-help clients. As we have made clear to providers, achieving sustained employment for this group will rely on them developing a diverse subcontracting chain including voluntary sector organisations with the expertise to provide the specialist, intensive help some clients will need.

Innovation in delivery: the Work Programme

The design of the Work Programme breaks new ground in the way employment support is delivered and paid for.

Unlike previous programmes, Work Programme providers:

- Have complete freedom to design the best support for clients – we are not specifying what clients should be doing and when providers have the freedom to make that judgement based on their knowledge of the individuals referred to them.
- Are paid on the basis of the results they achieve – in this case, sustained employment outcomes – instead of paying providers large sums for simply taking people onto their books regardless of the outcome.
- Are positively incentivised to focus resource on the hardest to help, by a payment structure with higher rewards for getting harder to help claimants into sustained employment. For example, a provider getting an ex-Incapacity Benefit claimant into work can be paid up to £13,700, compared to £4,395 for supporting an older JSA claimant into work.
- Will be paid partly out of the benefit savings they help to realise: if providers perform strongly, more funding will be unlocked to reward them, taken from the benefit savings they are helping to realise.

We expect the Work Programme to provide personalised support to around 2.4 million claimants over the next seven years.

Encouraging local choice and local solutions

241. Individuals and families can face multiple disadvantages wherever they live; this is not an issue that is confined to certain types of area, which is why this strategy focuses on what we can do for people rather than places. However, every community may have its own set of particular challenges and priorities, whether in an inner city estate or a rural village. As such we want to ensure that services are designed and delivered with local priorities in mind and in partnership with local agencies, services and service users, so that they are relevant and accessible to everyone who needs them.
242. Community and Neighbourhood Budgets are allowing local redesign of services and the pooling of budgets across organisational boundaries to address local priorities and improve services, particularly in communities with complex needs.
243. The Government tested out the concept of community budgets by working with sixteen areas to help troubled families. The next phase of community budgets will give four local authority areas and ten neighbourhood-level pilots greater freedom to join up services and budgets. Whole-Place pilots will push the boundaries, giving local public service partners the freedom to redesign services and decentralise control of them and the funding to the lowest possible level. They will, therefore, work to reduce inequalities in access to good services. Furthermore, the pilot areas expect to focus, in part, on driving economic growth and reducing dependency on the State.
244. We are also supporting innovation in smaller scale local projects. For instance, in 2011 the Cabinet Office provided support to ten Local Inclusion Labs, small local projects trialling new approaches to delivering for adults facing multiple disadvantages including mental health conditions, drug and alcohol dependence, homelessness and learning disabilities.
245. We believe that Local Authorities also have a key leadership role to play in helping to design and deliver joined up services in communities and we will therefore be working particularly closely with the Local Government Association as we further develop plans for delivering on the Social Justice agenda.

Data sharing

246. Our work on data sharing (see page 50) will ensure that areas are better able to identify and understand needs on a local and national level, and to co-ordinate service provision across different agencies.
247. We are working to identify the barriers to data sharing across national and local government, and are looking at a range of options to make the best use of the data held by different parts of local and national agencies. This includes reviewing the current legislation in this area.

Encouraging personal control over services

248. As well as a level of local control and responsibility it is also important that service users themselves are able to make choices about the services they receive. An individual's support needs are often best understood by the individual themselves. Enabling people to make choices and exercise control over the support they receive can develop their sense of responsibility and independence, bringing them closer into their community.⁹⁵ With the responsibility that comes with exercising choice and control, people can be supported to become independent, services can be tailored to reflect multiple needs and crisis points can be prevented – achieving better outcomes for individuals and the taxpayer.
249. Wherever possible, we are therefore committed to giving people power over the public services they use as individuals. This includes putting people in direct financial control of service use by using mechanisms such as personal budgets.

The role of a new social economy

250. This Government also sees an important role for supporting the growth of a new 'social economy' and attracting private investment to deliver Social Justice.

Growing the social investment market

251. In recent years the social sector has developed greatly and we are keen that social ventures can take full advantage of the opportunities that will come from opening up public services. But to do more, they need easier access to capital to help finance their expansion.
252. Backing social ventures by providing them with capital offers investors the opportunity to achieve both a financial return on their investment, and better social outcomes.
253. The social investment market remains relatively small (around £200m in the UK in 2010), but its potential is great. UK charitable investment and endowment assets alone account for nearly £95 billion.⁹⁶ If just 5 per cent of these assets, 0.5 per cent of institutionally managed assets and 5 per cent of retail investments in UK ISAs were attracted to social investment, it would mean unlocking around £10 billion of new finance capacity.⁹⁷
254. The growth of such a market could see significant sums of new investment channelled into community projects offering real life changes to those facing the greatest disadvantage. In particular, it could increase the money going towards early intervention and prevention services.
255. The growth of social investment could also aid social cohesion, connecting successful financiers and businesses with difficult communities and creating a vested interest in delivering real and lasting improvements.
256. The Government is therefore actively helping to accelerate the growth of this nascent market.

⁹⁵ Newbronner L., Chamberlain R., Bosanquet K., Bartlett C., Sass B. and Glendinning C., 2011, *Keeping personal budgets personal: learning from the experiences of older people, people with mental health problems and their carers*

⁹⁶ National Council for Voluntary Organisations, 2010, *The UK Civil Society Almanac 2010*, Section 3.

⁹⁷ Cohen R et al, 2010, *Social Investment Ten Years On, Final report of the Social Investment Task Force*.

Building the evidence base

257. Commissioners and investors need to be clear about the potential effectiveness and returns different interventions can deliver. We therefore need to build our collective understanding of these models.

Early Intervention Foundation

258. In support of this, the Government is establishing an Early Intervention Foundation – as recommended by Graham Allen⁹⁸ – to:
- Build the evidence base for early intervention, providing an overview of “what works” to local authorities and commissioners, and signposting them to the best sources of evidence.
 - Act as a hub for existing expertise and services in the field, commission work to fill gaps in knowledge and provide general and impartial information about financing options – including payment by results, philanthropic funding and social finance.
259. The Department for Education is due to begin the open procurement process that will lead to the establishment of the Early Intervention Foundation shortly.

Building our understanding of social value

260. We are also seeking to embed a better understanding of social value into policy decision making. We are exploring new ways to quantify results independent of market value in areas such as health, crime, re-offending, and educational success, and to improve consistency in terms of the way outcomes are measured. We are doing this in two ways:
- We are exploring how to build a better understanding of Social Return on Investment (SRoI) into decision-making. SRoI is an analytical method that incorporates social, environmental and economic costs and benefits into decision making, providing a fuller picture of how value is created or destroyed. The method uses stakeholders to value the impact, as well as economic techniques to assign financial amounts to the social (and environmental) outcomes.
 - We are supporting the development of consistent outcomes to help better understand the social impact of interventions and to support SRoI analysis. For instance, Cabinet Office is sponsoring the Inspiring Impact programme, led by New Philanthropy Capital, to accelerate the uptake of impact measurement across the UK social sector over the next decade. The programme is bringing together investors, commissioners and providers to agree common social outcome measures for different social sub-sectors. The Office for National Statistics is also working to build a better understanding of how a measure of national well-being can be built into decision-making.
261. The development of these methods should provide an important tool in driving Social Justice outcomes. By valuing social as well as fiscal outcomes, they are more likely to favour policies that take a preventative, longer term approach.

Increasing the supply of social investment

262. A growing social economy will need to be underpinned with sound investment, ensuring that we can fully harness the energy, innovation and expertise of a whole range of organisations. The Government is therefore increasing the supply of social investment in the UK through the creation of Big Society Capital (BSC), a financial institution that aims to develop a market for investment made on the basis of positive social impact as well as financial returns. BSC is due to become operational imminently and will have up to £600m from dormant accounts and from the four leading high street banks. It will use this capital to invest in growing a sustainable market for social investment in which social ventures have access to the appropriate and affordable finance that they need to grow.
263. BSC will also have a leadership role in that it will act as a champion for the development for the social investment market.

Leading the way in testing innovative financing solutions

264. The Ministry of Justice has put in place the world's first Social Impact Bond (SIB), using social finance to fund an innovative approach to reducing re-offending rates amongst newly released prisoners.
265. The Department for Work and Pensions' Innovation Fund is applying a similar social financing approach to a number of projects aiming to improve the employability of disadvantaged young people. Worth £30 million over three years, each Innovation Fund project will involve the creation of a social investment partnership in which investors will take the financial risk of outcome payments and the delivery organisations, many of whom will be from the voluntary sector, will receive the up front funding they need to deliver the services and help build their capacity.
266. The Innovation Fund is being organised in two bidding rounds. The first round will deliver six new projects, including two projects that will receive the first investment from Big Society Capital. The second bidding round for the Innovation Fund was launched on 20 January 2012 and is expected to deliver a further three to eight contracts in summer 2012.
267. The Cabinet Office is also working with Westminster, Hammersmith and Fulham, Birmingham City and Leicestershire Councils to design up to four Social Impact Bonds to fund troubled family interventions.

Putting in place a supportive legal and regulatory framework

268. We are reviewing the legal and regulatory framework for investment in social enterprises to ensure it supports the emergence of the social investment market, removing any unnecessary and unintended barriers to its growth.

Supporting social ventures to improve their investment readiness

269. The Cabinet Office is launching a £10 million investment and contract readiness programme from April 2012, funding advice and support to social ventures to put them in a better position to secure larger social investments and compete for public sector contracts.

The Private Equity Foundation's ThinkForward project

ThinkForward is a breakthrough initiative from the Private Equity Foundation to significantly reduce the chances of disadvantaged young people becoming NEET (not in education, employment or training).

The programme provides in-school 'super coaches' to struggling students from age 14 up to 19. The highly trained coaches offer stable one-to-one support through challenges at home and school. They provide each pupil with a personalised action plan and help them to access other local initiatives, as well as workplace mentors, providing introductions to business networks and work opportunities.

ThinkForward builds on the dramatic results of a trial carried out in five schools in Tower Hamlets which nearly eradicated problems of young students becoming NEET at aged 16, and is being delivered by Private Equity Foundation portfolio charity Tomorrow's People.

Currently being piloted in three schools, in Shoreditch in East London, a social investment bond commissioned by the Department of Work and Pension's Innovation Fund will enable expansion into ten schools, supporting 950 more vulnerable young people. It is being backed by Big Society Investment Fund and the Private Equity Foundation.

ThinkForward is also benefiting from pro bono business expertise and donations from the Private Equity Foundation's supporters.

The future

270. We know from the many local projects already underway that the delivery approaches this strategy champions – such as early intervention, multi-agency working, improved commissioning and payment by results – are producing better outcomes for individuals and families facing multiple disadvantage.
271. We want to support similar approaches being adopted in local areas everywhere, not just in the best-performing areas.
272. Only through doing this collectively can we continuously improve on our ability to deliver for this group and produce tangible changes to outcomes on a national scale.
273. We want to work with partners at every level to make this happen:
 - To better identify where things are already working, where there are gaps and how we can better co-ordinate delivery on the ground.
 - To agree clear parameters for success.
 - To better enable the sharing of best practise between areas.
 - To identify and champion local leaders with the capacity to make a real difference in their area.
 - And to open up greater opportunities for social ventures and social investors to get involved in turning around the lives of those most disadvantaged.
274. Throughout this strategy – from Barry’s experience with BAC O’Connor to Sarah’s life-changing help from Timpsons – we have sought to bring out some of the case studies that exemplify the Government’s new approach to Social Justice.
275. These stories have all been underpinned by the new set of principles we have outlined:
 - A renewed commitment to prevention throughout people’s lives, with targeted interventions that treat people as individuals.
 - A strong focus on the importance of a ‘second chance society’, where no one is written off and individuals and families who face serious disadvantage are given the right support and tools to transform their lives.
 - A new approach to delivery, based on early intervention, payment by results, social investment, and multi-agency delivery.
276. Over the next few months we want to engage delivery organisations, commissioners, local government, business leaders, service users and others in moving our vision of Social Justice forward. We want to ensure that as many people as possible have the second chances that those featured in the case studies in this strategy have been given, and that together we make real and lasting change to people’s lives.



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For more information about

this publication, contact:

Social Justice and Disadvantaged Groups Division

Department for Work and Pensions

7th Floor

Caxton House

Tothill Street

London

SW1H 9NA

E-mail: dwp.socialjustice@dwp.gsi.gov.uk

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