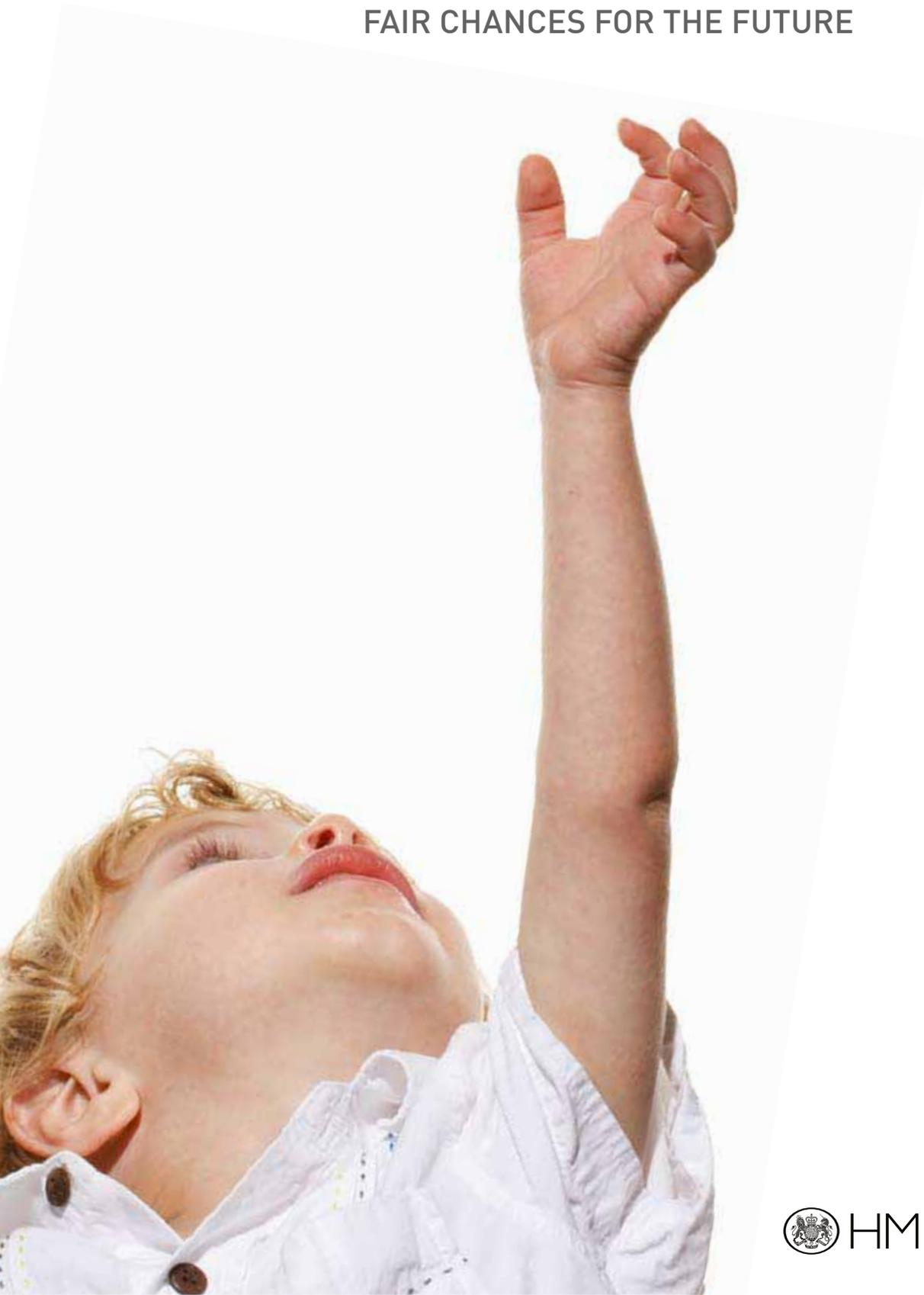


NEW OPPORTUNITIES

FAIR CHANCES FOR THE FUTURE





New opportunities

Fair chances for the future

Presented to Parliament by
the Minister for the Cabinet Office
by Command of Her Majesty

January 2009



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We will work closely with the Devolved Administrations in Northern Ireland, Scotland and Wales, recognising their particular and varying responsibilities. While many of the policies in this paper are specific to England, the challenges are common across the four countries of the United Kingdom. Each will consider the most appropriate arrangements in those areas for which they have devolved responsibility, to address the issues in ways that meet their own circumstances and needs.

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Foreword by the Prime Minister



Our children are growing up in the new global economy, and will live out their working lives competing not just in local or national terms, but globally. So if they are to succeed, and

fulfil our dreams for them, we must take action to invest in their future now – with education, skills and lifelong learning to meet that challenge.

For however tough the months ahead will be, it is likely that in the next two decades the world economy will double in size. As many as one billion new jobs for skilled workers will be created worldwide. And there will be new opportunities for British business as Asia becomes a market not just of millions of producers – but also millions of consumers too.

If Britain can seize the opportunities of this new global age, our future is full of potential. Our country will be richer in the years to come. But the ultimate prize will be greater still: the opportunity to create not just a richer country, but a fairer society.

This is the modern definition of social justice: not just social protection but real opportunity for everyone to make the most of their potential in a Britain where what counts is not where you come from but

what you aspire to become, a Britain where everyone should be able to say that their destiny is not written for them, but written by them.

That is why – alongside the action we have taken to prevent the collapse of the banking system and to invest in real help now, such as bigger pensions, tax cuts and new support for those who lose their jobs – this White Paper sets out our plans to invest now to create real hope for the future.

By making the right choices today and investing in tomorrow, Britain can be poised to create a great wave of new opportunities as the global economy recovers and grows.

And whereas in the past young people were held back by limited chances and limited room at the top, in today's global economy there is no longer a national limit to the number and quality of jobs that will be available to the British people.

So a downturn is no time to slow down investment. And we will not slow down our efforts but step them up, using this period to prepare ourselves fully for the upturn, investing now in the potential of every Briton at every stage and every season of life.

The measures in this White Paper provide that investment and support for people to make the most of their potential throughout their lives: not just one chance at 11 or 16, but lifelong chances to succeed.

We will continue our pre-school revolution: offering more free early learning and childcare places to disadvantaged children and giving extra help to families in real trouble.

We will take the next steps in raising standards in schools: offering new rewards for the most effective teachers to work in the schools that face the biggest challenges.

We will offer school leavers a September guarantee – with every 16- and 17-year-old guaranteed a place at college or school or learning at work. And we will give more support and encouragement to young people from families with no experience of higher education, ensuring they have the kind of mentoring and advice that their peers can expect.

And to support opportunity throughout people's lives we will radically extend financial support for those who want to retrain, gain new qualifications and get better jobs.

Britain faces a pivotal moment in its history. The decisions we take today will define the opportunities of a generation.

With the measures in this White Paper we will not just manage the downturn fairly, but make of it the beginning of a new era for our nation – with an historic commitment to the greatest possible achievement of modern progressive politics as we lay the foundations of true social mobility and social justice in modern Britain.

For by acting now to provide real help when people need it most and by investing in real hope for the future we are not just planning for tomorrow. We are building for tomorrow – and we are building for tomorrow today.



Gordon Brown
Prime Minister

Executive summary

The truly global economy of the 21st century brings new opportunities and new risks. The way the financial crisis has swept across every economy in just a few months has underlined how interconnected our world now is. But beyond today's global slowdown lies a world of new opportunities for which we must prepare. If we put in place the right foundations now, the prize is not just a richer country but also a fairer society. The challenge we face is to help safeguard people and businesses against the impact of the crisis now, while preparing our country today for the tremendous opportunities of tomorrow.

No country can close its borders to the impact of the global shock we are experiencing. But governments do not have to stand back, do nothing and let the recession take its course. The Government can deliver real help now and ensure our country comes through the downturn faster and stronger.

The Government has therefore increased support for those who have lost their jobs with personalised help to find new employment and to meet mortgage payments. It has taken unprecedented measures to improve the credit flow for businesses. It has introduced a wide range of tax cuts and extra support for families, children and pensioners. It has brought forward £3 billion worth of capital projects to improve the country's infrastructure, create jobs and stimulate the economy. It is putting extra money into people's pockets

and providing targeted help to families and businesses who have been hit hardest.

In the longer term, the world economy is expected to double in size within the next 20 years, creating up to 1 billion new skilled jobs and industries and spreading global prosperity. This growth will be driven by an enormous expansion of wealth and disposable incomes across the world. The World Bank is forecasting that by 2030 there will be more than a billion people in developing countries belonging to the global middle class. Technological development will drive new production patterns and industries in both services and goods, and the rapidly emerging economies of Asia and South America will provide new markets for trade and exports. The expectations of consumers will continue to rise, leading to new demands for improvements in the standard of service they receive.

Taken together, these changes will create immense opportunities for business growth and individual success. The Government is determined to work with UK businesses so that our country can benefit strongly from this changing economy, creating more and better jobs for all.

This is also an economy in which the knowledge and skills of people are now the most important resource as well as our best chance of social progress. The countries which succeed will be those which make the most of the talents and

potential of all their citizens. So if we make the right decisions in the downturn and continue to invest in skills and people, we can provide better jobs, wages and prospects for our citizens in the years to come. This means stepping up our efforts to unlock the talents of every child and young person from their earliest years, and supporting adults right through their working lives, so that we can build a more prosperous economy and a stronger, fairer society.

An upwardly mobile society

By preparing our country to benefit from the new opportunities of the global economy and giving people support to make the most of their talents, we will help individuals and their families move up in the world. We are determined that each successive generation should be able to gain better jobs. And it is important that current economic events do not distract us from our goal of ensuring that the accident of birth and social background does not hold people back. These two elements, better jobs and fairer chances, will together produce a more upwardly mobile society.¹

There has been remarkable progress over the last decade. Provision for pre-school children has been transformed with increased resources and free places for all three- and four-year-olds. Since 1997 school funding per pupil has doubled in real terms, 600,000 children have been lifted out of poverty and almost 300,000 more students are benefiting from higher education. And, over the coming years, there will be further progress. By 2010 there will be a Sure Start Children's Centre in every community in England. The last spending review committed to additional spending of £14.5 billion on education by 2010/11. The measures announced since

Budget 2007 should lift around a further 500,000 children out of poverty. And in the next six years, we will see new university campuses or centres opened or committed to in 20 towns across the country.

We are beginning to see the results of these efforts. While studies show social mobility did not increase in the eighties and early nineties, new evidence suggests this is beginning to change. The latest academic research shows there are encouraging signs, with success in education becoming less dependent on a person's social background, more young people from low-income backgrounds going to university, and evidence suggesting that improvements in earnings mobility are helping people to get on in work.

There is more to do to enable everyone, whatever their background, to fulfil their talents and potential. But with the right policies, we can both raise the overall level of skills, incomes and the number of good jobs, while at the same time building a fair society.

Looking to the future

Government has a central role in supporting people to develop the skills, abilities and capabilities that they need to succeed in the modern world. Children need support from their early years so that they develop the skills and abilities that lead to good jobs. Young people need support as they develop and make the transition from school to work, through further education and training to higher education. Adults need support to continue developing their skills in the fast changing labour market, and families and communities need support too in a complex and often challenging world. Government

¹ For further discussion see Cabinet Office, *Getting on, getting ahead*, 2008

must do this by ensuring that public services are excellent, personalised and responsive to their users; by ensuring that the tax and benefits system is fair, creates the right incentives, and supports people when they need it; and by ensuring that the economy and markets are regulated and supported to function efficiently and effectively.

The Government therefore does not believe that it is right to cut back on the investment that is necessary to build secure foundations for tomorrow. Instead, it will strengthen and build on the foundations it has already put in place. This White Paper sets out a clear strategy for how the Government intends to work with people, families, communities, business and the third sector to give the UK the right platform for future success. This will be consistent with our proposals about earned citizenship. And recognising the role the devolved administrations have to play in key areas highlighted in this document, the Government looks forward to working closely with them to ensure that new opportunities are available to all across the United Kingdom to help tackle the common challenges that we face.

Drawing on a wealth of evidence,² it is clear that we need to invest now so that:

- the UK economy is positioned to benefit from emerging job opportunities, including in new industries and markets;
- we build up the capabilities and skills of our citizens throughout their lives; and
- the families and communities in which people develop can best support them to realise their potential.

Positioning our economy

As an open economy and a nation with strong cultural and personal links across the globe, the UK is ideally positioned to make the most of new international opportunities and growing global markets. Competing successfully for these markets will require sustained investment in the UK's infrastructure, workforce and capacity for innovation. This Government has already dramatically increased the country's investment in education and our science base and in improving our infrastructure. But there is more to do.

This White Paper identifies a series of steps we must take as a country in the coming months and years. They include:

- placing the UK in the forefront of global research and innovation;
- transforming our national digital infrastructure;
- promoting enterprise at every level from the schoolroom to the boardroom;
- taking a new strategic approach to encouraging the development of innovative industry, including tailored support for sectors in the UK economy, such as low carbon technology industry; and
- personalising high-quality public services that consumers increasingly demand.

But none of this will deliver the rewards the country's potential deserves unless we have the highly skilled workforce businesses need. The Government has already dramatically increased the country's investment in education and skills. We need to continue this investment to ensure both that our children receive the education they need to succeed and that the skills of the workforce continue to improve.

² See Cabinet Office, *Getting on, getting ahead*, 2008

Investing to build up everyone's capabilities throughout their lives

Four specific factors are crucial to building people's capabilities:

- support for parents and children in the early years which have a profound impact on later life chances;
- success in school, as educational attainment at 16 remains one of the most important determinants of future success;
- investment during the critical transition years from compulsory education through further and higher education and into work; and
- fresh opportunities to get on in work throughout people's lives, ensuring they have continuing chances to fulfil their potential.

Investing in children's early years

There is now overwhelming evidence that the earliest years of life are crucial to the development of all children. The countries with the highest rates of social mobility provide comprehensive, high-quality pre-school care and education. The Children's Plan set out our goal of making this the best place in the world to grow up.

This Government has doubled maternity leave and pay, introduced parental leave for fathers and given parents with young children the right to ask for flexible working. Free early learning and childcare places have been provided for all three- and four-year-olds and over 3,500 Sure Start Children's Centres will be up and running by 2010. We have improved financial support for parents, created tax credits with extra support for families with children under one, and introduced Child Trust Funds.

These measures have already reduced the disadvantage suffered by thousands of children when they enter primary school and helped to improve the academic performance of pupils from lower-income families. We must now go further in the development of a comprehensive system of early learning and childcare. The Government's long-term ambition is to make a free early learning and childcare place available to all two-year-olds. We are already committed to providing free places in 63 local authorities by 2010 and we will now begin to roll out this ambition across the country, by providing free places for two-year-olds from low-income backgrounds who will benefit the most from such provision in every local authority area.

The Government will also continue to raise the quality of early learning and childcare through improved training and qualifications for those who work with children. We want a more skilled workforce with leadership on the ground from those with qualifications at degree level and will now consider making childcare a profession that requires qualifications equivalent to A-levels. This will underline the importance of Early Years education and help us continue to improve its quality. We want to give parents confidence that provision will not only be safe and fun, but that it will also help their children develop and start primary school ready to learn.

Investing in children's schooling

Education is a key driver of social mobility. Success in school remains one of the most important determinants of future success. Our Children's Plan vision is for every school to be an excellent school, raising standards and helping all children overcome any barriers to learning they may face, such as a learning difficulty or a disability.

We have raised standards across the board, improved behaviour in schools, introduced personalised learning and started to close long standing attainment gaps by investing over £35 billion a year. This is double in real terms what was spent in teaching and facilities in all our schools in 1997. Academies, the National Challenge, and other new initiatives are driving up achievement where standards have been too low. We now want to build on this progress.

The evidence shows that the most important factors in raising attainment are the quality of teaching and the level of parental support and involvement in a child's education. We intend to take further steps to raise teaching standards everywhere, to ensure schools get all the support they need from other services, and to ensure parents are centre-stage in their children's schooling.

To accelerate this progress, we will now introduce new programmes to attract even more of the most talented individuals into teaching. We will pilot direct campus recruiting to attract high-flying graduates and improve routes for those wanting to enter the profession mid-career. It is important as well that we do more to encourage the most effective teachers to work in schools where the pupils need most help. With a new package of additional support, including a special £10,000 bonus, we will now attract thousands more of the most effective teachers every year to work in more than 500 of the most challenging schools in the country. Up to 6,000 teachers will potentially benefit.

Investing in young adults as they move from education to work

The growing premium on skills means that those without good qualifications will struggle to share in our rising prosperity as a nation. Our goal is that every young person should have a clear path to their future – a skilled Apprenticeship, a job with prospects and training or a place at college or university. We have already legislated to raise the education and training participation age, to 17 in 2013 and then to 18 in 2015, and we have supported young people to stay in learning beyond secondary education with new Education Maintenance Allowances. We have expanded the number of Apprenticeships and university places, and over 50% of young people from every social background now want to go on to higher education. The gap between the rates of participation in post-16 education for different groups has fallen steadily.

We will now build on these reforms with new measures to support increased participation in learning. This year, every 16- and 17-year-old will be guaranteed a place at sixth form, college or in training. We are legislating so that every suitably qualified young person will have the right to an Apprenticeship. To help individuals and businesses through the downturn another 35,000 places will be provided over the coming year in both the public and private sectors, bringing the total number of apprentices to well over a quarter of a million for the first time ever.

The Government will renew efforts to remove all the barriers, whether financial, cultural or aspirational, to education. We will review the way in which financial support is made available for 16- to 18-year-olds – a decisive factor in whether

young people stay on in education – so no one is prevented by lack of money from continuing in education or training.

We know that young people from families who have had experience of higher education get a lot of informal encouragement and practical support to apply to university. For those who come from families without such experience, we must provide equivalent support. We will ensure that all children from low-income backgrounds with the potential to benefit from higher education will receive the mentoring, advice and support they need at secondary school to get into university. And the Government has agreed with 11 research-intensive universities that they will work together to seek out young people from poorer backgrounds with high potential, and invite them to show what they could achieve, given the opportunity. We expect 10,000 young people per year to benefit from this scheme when it is up and running.

Investing in people to help them get on in work

The majority of people who will make up the workforce at the start of the decade after next are already over 25, so it is imperative that the Government supports adults to get on as well as young people. If people are out of work, have low skills, or are trapped in a low-paid job, this doesn't only affect them, it can have a negative effect on their children's life chances too. As well as increasing incomes, raising the skills levels of adults can improve the aspirations and achievements of their children. That's why the Government is committed to offering second, third and fourth chances to people who want to improve their skills and get on throughout their lives. The Government has therefore increased spending on further education

by more than 50% over the past decade. By 2010/11, we will be investing over £1 billion through our flagship Train to Gain service.

As well as general barriers to opportunity – such as low skills levels – there can be other obstacles to careers in certain high-status professions. To help ensure that everyone, including those on moderate and middle incomes as well as the wealthiest, has a fair chance to access careers in high-status professions, we will establish a panel to work with the professions themselves to identify obstacles including cultural barriers to access and how they can be removed.

Lifelong learning should be supported by fair chances, fair funding and fair rules. A young person who goes to university soon after leaving school will typically have significantly more spent on their lifetime learning than one who goes from school to work. We believe that those who do not go to university but who have the desire and ability to study and train throughout their working life should also be able to access the support they need in order to raise their skills levels.

To help people through the downturn and support them to gain the new technical and professional qualifications which our future economy will need, we will build on our career development loans programme to create a more generous product. New Professional and Career Development Loans will offer lower interest rates and will allow people to apply for loans of up to £10,000, an increase from the current limit of £8,000. Like career development loans they will be offered interest free while people study. In the next two years we will treble the number of loans available from 15,000 to 45,000. We will proactively promote the loans both as a key part of helping people through the downturn and

as a way of enabling people to move up the skills ladder to take advantage of future opportunities.

People who take time out of work to bring up children or care for a disabled or elderly relative are contributing to society, but they often find when they return to work that they need to update their skills. So we want to recognise their contribution by giving them a helping hand back to work. We will pilot new earned rights to training, offering an entitlement of up to £500 for those returning to work from caring to encourage them to update or refresh their skills.

The Government will also bring in new measures to ensure those who missed out on education first time round or face additional disadvantage in the labour market get a second chance. We will therefore trial new rights for low-income families in work who are on tax credits, give further training help to agency workers and to those with learning difficulties and mental health conditions.

Supporting the families and communities in which people develop

Across all of these four areas, families and communities play the vital role in supporting people to build their capabilities and realise their potential. We want to strengthen their capacity for this task.

Supporting families

Families are the bedrock of our society, providing the support that enables individuals to progress throughout their lives. They nurture children, help to build strength, resilience and moral values in young people, and provide the love and encouragement that helps them lead fulfilling lives. This is why the Children's Plan puts support for children and families at the centre of everything we do.

Over the last decade, we have worked hard to help ease the stresses and strains of being a good parent. Maternity leave and pay have been doubled. Paternity leave and the right to ask for flexible working for parents with younger children have been introduced. Tax and benefit changes alongside policies like the minimum wage have targeted most money on the families who need it most, thereby reducing child poverty. We have also introduced a number of new ways to encourage and support savings.

To further support families the Government is extending effective programmes like Family Nurse Partnerships, providing more support to young first-time parents. We will give special help to adults and children where families are at risk of break-up. Given their effectiveness we will roll-out to all vulnerable pregnant mums one-to-one support through the Family Nurse Partnership programme over the next decade.

And we will reinforce our determination to eradicate child poverty by 2020 by giving this target the formal backing of legislation. We will shortly launch a consultation setting out plans to ensure that all parts of government play their part in a sustainable child poverty strategy that improves life chances for successive generations.

Most families are doing well. But there are children whose life chances are seriously undermined by the chaotic and unstable families into which they are born. For these families, we plan to make greater use of targeted action through expansion of Family Intervention Projects – expanding the number of families benefiting from 2,600 to 20,000 by 2011. These provide intensive personalised support to families with problems and whose home is at risk due to their anti-social behaviour. In return for this extra help, families are required

to change their behaviour and meet their responsibilities to the wider community.

Building on the significant progress in encouraging more care-leavers to stay on in education, we will now improve support for those leaving care by setting up a national scheme, with employers, to guarantee an offer to all care-leavers of training, mentoring and access to jobs. And from this September all suitably qualified care-leavers up to the age of 25 will have a guarantee of an Apprenticeship place.

Empowering communities

Like families, communities are vital in shaping people's capabilities throughout their lives. They provide an environment within which people develop their aspirations and access the services and opportunities that can help them realise their potential.

In the last 10 years, the Government has strengthened communities by investing in regeneration and renewal, improving housing, health, education and transport provision. And there is a renewed focus on ensuring that regeneration tackles the underlying economic challenges to increase social mobility. This will boost our efforts to do more to empower people within their communities to devise locally tailored solutions to their problems.

In December 2008, we launched the new Homes and Communities Agency (HCA), the biggest regeneration agency in Europe, and we will ensure that physical development and regeneration makes the most of local people's knowledge of the real barriers that stand in the way of opportunity.

In some deprived communities, as well as economic disadvantage, lower expectations and low self-esteem can hold people back. So we will establish a new Inspiring

Communities campaign to bring together local businesses, schools, agencies, parents and the wider neighbourhood to find innovative ways to raise the aspirations of young people. We will develop new opportunities and, crucially, work to build up the confidence and motivation that young people and their families need to take up what is already on offer.

The community can play a particular role in helping support young people when they leave school. Evidence shows that providing chances for local volunteering can prevent young people from feeling excluded from wider society and help unlock their potential. We are supporting the independent charity v with £117 million of funding to help provide thousands of new volunteering opportunities across the country. This will include 1,000 new full-time volunteering places within the public sector where the support and training provided will equip young people with the skills to find permanent jobs.

Public bodies, including local government, have a crucial role in helping people to fulfil their potential and in removing the barriers that hold people back. We have already legislated to require public authorities to tackle the inequality that arises from race, gender, or disability. But we know that inequality does not just come from your gender or ethnicity, your sexual orientation or your disability. Co-existing and interwoven with these specific inequalities lies the persistent inequality of social class.

Given the important role that public policies and services play in supporting individuals to make the most of their talents, we will consider legislating to make clear that tackling socio-economic disadvantage and narrowing gaps in outcomes for people from different backgrounds is a core function of key public services. Further work

and consultation are required before the Government reaches a definitive conclusion on the best way of tackling this disadvantage.

These are the goals we will use to guide our future thinking and measure our success.

The way ahead

The policies we are announcing within this White Paper amount to a significant investment in our future. In themselves, they will have a major impact on individual opportunities.

They build on existing policies and initiatives to address and overcome specific barriers to realising people's potential. They will help us continue to build a fairer and strong society and a prosperous nation.

While some will have an immediate effect, the full benefits of many of these policies will become apparent over the longer term, as the children that gain from them today reach adulthood.

But as well as including a number of specific steps, this White Paper is also a statement of intent. It sets out a strategy for future changes and an approach to longer-term developments.

And it underlines the Government's determination that, as well as helping people through the present global downturn, we prepare our country to benefit from the new jobs, industries and markets that the doubling of the world economy will deliver over the next two decades. This will require us to step up our efforts to harness the talents of all, which, in turn, will help accelerate social mobility further.

The long-term goals are clear: we want to prepare the UK to grasp new opportunities in the global economy and enable every individual to realise their potential, no matter what their background.

1. New opportunities

As well as responding comprehensively to the downturn, it is also the Government's role and responsibility to equip the UK for the longer term. In the medium and long term, changes in the global economy offer enormous opportunities – particularly in terms of new jobs. By positioning the UK successfully to grasp these opportunities, we can generate a new surge in social mobility, characterised by more and better jobs being available and everyone having a fair chance to access these jobs and fulfil their talent.

In this chapter, we set out what the major opportunities are and why the UK is well-equipped to grasp them. We then explain what they mean in terms of social mobility and why this is so important. Finally, we outline our overall approach to enabling the UK to seize the opportunities – the detail of which forms the content of the rest of this white paper.

The new global economy

- 1.1 Our world is becoming smaller and more interconnected by the day. Modern travel has slashed distances. We can communicate instantly with people across the globe. Technological advances have led to many more opportunities for selling goods and services.¹
- 1.2 As an open, trading economy with close personal and cultural links with every continent, the UK has benefited enormously from this transformation. Our world class university sector attracts students and academics from around the globe. We are a world financial centre. Hundreds of overseas businesses have set up plants and often their European headquarters in the UK. In turn, UK firms are some of the biggest investors around the world.
- 1.3 These changes have brought new jobs and new prosperity to our country and will do so again in the future. But they have also made our economy more vulnerable to shocks from abroad. The speed with which the worldwide financial crisis spread from the United States to the UK and other countries demonstrates that, as well as providing opportunities, the new global economy can also bring risks.
- 1.4 No country can prevent such global shocks affecting its economy, firms or citizens. But it can act to lessen the impact by helping businesses and people and to reduce the length and depth of the downturn. This is the choice this Government has taken.

¹ Cabinet Office, *Getting on, getting ahead*, 2008

Responding to the current downturn

- 1.5 The Government is determined to learn the lessons from previous downturns. Over the last few months, we have intervened decisively in a way that has been followed by other countries around the world.
- 1.6 As the credit crunch swept across the globe to hit banks in the UK and led to credit being severely tightened, the Government acted to help restore confidence in the financial sector, recapitalising the banks and protecting savers. These actions were vital for the whole of the economy and have been widely copied around the world. The Government is also taking the lead in putting in place new global financial structures and rules.
- 1.7 Through the autumn Pre-Budget Report (PBR) and a series of other actions, the Government is doing all it can to support those affected by the current economic downturn and to minimise its severity and length. To help stimulate the economy, VAT was lowered from 17.5% to 15%. We have decided that the right course is not to cut public investment but to accelerate it, bringing forward £3 billion worth of capital projects, including £535 million of spending on energy efficiency, rail transport and adaptation measures.² Together with unprecedented cuts in interest rates, increases in the personal tax allowances and extra financial help for families and pensioners, an immediate boost has been provided to the incomes of millions of households, to businesses and to the economy as a whole.
- 1.8 When people lose their job, it has an immediate effect on the lives of themselves and their families, and the experience of previous downturns shows that spells out of work can also hinder future chances to gain employment. Long-term claimant unemployment doubled from half a million to 1 million in the early 1990s recession.³ That is why we have targeted help to individuals who have been hit hardest by the impact of the global downturn.
- 1.9 We are providing increased mortgage support for those who have lost their jobs or who are struggling to meet payments. We are also determined to prevent a short period out of work becoming long-term unemployment, which in the past led to generations being written off, prosperity limited and potential lost.
- 1.10 An extra £1.3 billion of investment was announced in the PBR 2008 to deliver personalised and effective support for those who have lost their jobs to find new employment.⁴ From April 2009, a new £500 million package of support will mean that all of those who are unemployed for 6 months will be guaranteed intensive help from Jobcentre Plus and the opportunity to access a menu of tailored support. Options will include employment supported through a recruitment subsidy, help in becoming self-employed and access to training to get

² HM Treasury, Pre-Budget Report: Facing global challenges; Supporting people through difficult times, 2008

³ Based on figures published by the Office for National Statistics

⁴ HM Treasury, Pre-Budget Report, 2008

the skills employers need. Around 500,000 people are expected to benefit from these new opportunities over the next two years.

- 1.11 We have also targeted help at small businesses – they will benefit from being the top priority for our Train to Gain service (£1 billion by 2010/11) so they can continue to train their staff. They have also received tax help, including the opportunity to delay payments.

The opportunities of the future

- 1.12 But even within this time of downturn, it remains vital that we take a longer-term view so that we can secure future opportunities for everyone in the UK. Despite the tough times we are currently facing, the underlying trends are clear and positive. Over the next two decades, new customers, production patterns, technologies and expectations are all set to generate enormous opportunities for jobs, businesses and even new industries.⁵

New customers – the global middle class

- 1.13 The continuing development of economies in countries such as China, India and Brazil is leading to the growth of a substantial global ‘middle class’.⁶ Within a couple of decades, this is expected to more than double to a billion people. This growth, combined with cultural changes, will in turn increase disposable incomes in these countries. The direct result is a wealth of export opportunities for UK goods and services. We are already

beginning to benefit from these new markets. Between 2002 and 2006, UK exports of goods and services to China and India increased by, on average, 19% and 14% a year respectively.⁷ We need to support the businesses and industries that are equipped to deliver the products and services that these export markets demand.

New production patterns – enabled by technological change

- 1.14 New production patterns driven by technological change will also deliver more opportunities. The rise of the internet as a business tool and more efficient global supply chains mean that there is no longer a need for every element of the production process to be located together. Instead, different parts of the process are increasingly taking place in different geographic locations. In the UK, this means more opportunities in the knowledge-intensive areas in which we excel, such as research and development, specialist manufacturing and business services. It also means that many of the high-skilled jobs needed to deliver services to the emerging global middle class can occur anywhere in the world, creating further opportunities for UK workers in markets and industries in which we are already strong. Clearly, grasping these opportunities depends on having a truly nationwide, high-quality business and technological infrastructure that facilitates international working, including a world-class broadband network.

⁵ Cabinet Office, *Getting on, getting ahead*, 2008

⁶ World Bank, *Global Economic Prospects*, 2007

⁷ Office for National Statistics (ONS), UK Balance of Payments: The Pink Book, ONS, 2008

New technologies – creating new industries

- 1.15 Rapid technological advances will also create brand new industries. This is already beginning to happen, for example, as the world moves towards the low-carbon economy needed to tackle climate change and ensure that our economies operate in a sustainable way. The UK is already at the forefront of this industry. Our environmental goods and services sector has an estimated turnover of £25 billion and employs some 400,000 people. If we maintain this share of the industry during the forecast growth, more than a million people could be employed in it by 2030.⁸

New expectations – increased personalisation of goods and services

- 1.16 Trends at home will also have a major impact on jobs, opportunities and our economy. These include a population that is growing older and has higher expectations of services. The number of people over 65 will increase by 60% between 2006 and 2030. As working patterns change, there is a growing demand for childcare, which parents want to be of the highest quality to give their children the best start in life. And across both the public and private sectors, people want services that are personalised and tailored to their individual requirements.⁹ The result is significant change in sectors such as health, social care and childcare: more people will require a personalised service and standards will need to rise – not least in terms of the overall skills of the workforce.

Preparing people to seize the opportunities of the future and become socially mobile

- 1.17 If we make the right choices and investments now, we will be able to make the most of these new opportunities for the UK. The countries that succeed in the coming years will be those that make the most of the knowledge, experience and talent of all their workforce. This will require investment in education and skills and the determination to ensure that all benefit from the new opportunities.
- 1.18 This is not just about improving skills at the top. The most successful countries will be those that make the most of the potential and talents of all their citizens – thus improving the life chances of individuals and the country as a whole. Without access to a constantly increasing supply of skilled workers, businesses will struggle to compete.
- 1.19 Successfully capturing these emerging global opportunities will create more and better jobs for all. This will allow each successive generation to move up into a better working environment.
- 1.20 People gaining better jobs is the essence of social mobility. For a country as a whole, each successive generation gaining better jobs is known as **absolute social mobility**.
- 1.21 But, we cannot afford to let anyone's background hold them back from fulfilling their potential. Ensuring that everyone has the chance to achieve

⁸ Department for Business, Enterprise and Regulatory Reform/Department for Innovation, Universities and Skills, *Manufacturing: New Challenges, New Opportunities*, 2008

⁹ ONS projections outlined in *The UK economy: long-term performance and strategic challenges*

their potential and gain better jobs, no matter what their background, is known as **relative social mobility**.

- 1.22 Therefore this Government has two aims for the future:
- each successive generation to gain better jobs; and
 - everyone having the opportunity to realise their potential and having fair chances to access these better jobs.
- 1.23 These two goals are related. Where a society has high rates of relative social mobility, the best use is being made of everyone's talents. This means the society is more likely to be prosperous – so allowing successive generations to get better jobs.

Historic trends in social mobility

- 1.24 Patterns of social mobility in the UK over the past half-century have been intricate, making it difficult to reduce them to one simple story. This is partly because there are two distinct aspects of social mobility, but also because, though both aspects are measured in terms of job quality, they can be measured both by occupational class and income.
- 1.25 Structural economic changes after World War II caused a dramatic expansion in the number of higher-skilled jobs – the proportion of people in higher and lower professions increased by 68% between 1951 and 1971.¹⁰ This meant that the
- proportion of men who attained a better (i.e. higher-skilled) job than their parents rose each year – leading to a significant increase in rates of absolute social mobility.¹¹ This is often described as the post-war wave of social mobility.
- 1.26 Since 1970, there has been a change in this trend. Instead of the rate continuing to increase, the overall number of higher-skilled jobs being created each year between 1970 and 2000¹² remained constant. Though this level was itself higher than in the period 1945–1970, absolute social mobility remained stable after 1970: the proportion of men attaining better jobs than their parents has remained roughly the same.¹³
- 1.27 For women, the story is, however, one of continuing improvements in absolute social mobility. The latest data reveal that since 1930, women have enjoyed steadily increasing chances of gaining a better job than their parents, as more move into professional occupations.¹⁴
- 1.28 On relative social mobility, the chances of people from different backgrounds realising their potential have not increased in recent decades. When measured by occupational class, the data suggest that rates of relative social mobility, for both men and women, have remained broadly constant since the war.¹⁵

10 Gallie, D., *Skill Change and the Labour Market: Gender, Class and Unemployment*, 2006.

Available at: <http://www.niesr.ac.uk/event/15June/Gallie.pdf>

11 Heath, A. and Payne, C., *Twentieth Century Trends in Social Mobility*, 1999

12 The latest date for which data are available

13 Cabinet Office, *Getting on, getting ahead*, 2008

14 Cabinet Office, *Getting on, getting ahead*, 2008

15 Goldthorpe, J., Mills, C., *Trends in intergenerational class mobility in Modern Britain*, 2008

1.29 But if measured by income, there is evidence that for people born in 1970, their background actually had a bigger influence on their chances of attaining a highly paid job than for those born in 1958.¹⁶ In other words, over this period there appeared to be a decline in relative social mobility (when measured by income).

Increasing the social mobility of recent generations

1.30 These data, of course, do not refer to people who were at school, let alone born, in the last decade, on whom the Government has concentrated efforts and resources. The social mobility of a generation can only be measured once individuals have spent a substantial period of time in work. This means that the latest data on absolute mobility relate to individuals born in the 1970s, and the latest data on relative mobility relate to people born in 1970.

1.31 Over the past 10 years, the Government has worked hard to identify the factors that have the most impact on social mobility and has taken steps to remove the barriers preventing it for younger generations. The full impact of these measures on both absolute and relative social mobility will not be seen until they have completed education and spent some time in work. But, already, there are hopeful signs of progress.

1.32 In recognition that a child's family environment is crucial to their prospects for social mobility later in life, some of our most significant

measures have been to support families and children in their early years.

1.33 The Government has introduced a range of additional financial help for families. The introduction of tax credits and the minimum wage, along with above-inflation increases in Child Benefit have boosted family incomes and helped lift 600,000 children out of poverty since 1998/99. Measures announced since the Budget 2007 should lift a further 500,000 children out of relative poverty.

1.34 Alongside these measures, we have made it easier for all families to own assets through, for example, the Child Trust Fund, Individual Savings Accounts and the Share Incentive Plan.

1.35 To help give all children a better start in life, we have doubled maternity leave and pay and introduced paternity leave. The right for parents with young children to request flexible working has also helped many families spend more time with their children when it matters most.

1.36 To provide universal access to high-quality care, Sure Start Children's Centres are being built in every community. We have introduced free early learning and childcare places for all three- and four-year-olds, and evidence shows that the childcare and early learning opportunities available are helping to raise levels of child development pre-school. Centres in deprived areas have helped parents show less negative parenting and improve their children's home learning environment.

¹⁶ Blanden, J., Machin, S, *Up and Down the Generational Income Ladder in Britain: Past Changes and Future Prospects*, 2008

- 1.37 Children's Centres are just one of the new services we have introduced across all communities. We are also increasing spending on housing, from £8.8 billion in 2007/08 to £10 billion by 2010/11, to deliver our target of 2 million new homes. Alongside the direct financial investment, we have also backed our commitment to empowering communities to develop tailored and locally owned solutions to the problems they face with increased resources to local authorities, including £1.5 billion through the Working Neighbourhoods Fund to those local authorities with high unemployment levels.
- 1.38 Education at school has been at the heart of our approach to raising social mobility. Because attainment at school remains the most reliable predictor of future success, we have increased investment in schools to £35 billion a year, doubling funding in real terms per pupil since 1997. We have also invested in reforming schools both to raise overall standards – leading to a rise in attainment, with 47% of pupils now attaining at least five GCSEs at grades A* to C, including English and Maths, compared with 35% in 1995/96 – and to narrow gaps in achievement between young people from different backgrounds.
- 1.39 Targeted approaches to specific groups of pupils have proved highly successful in raising their attainment levels towards national averages, while recent evidence suggests that overall gaps are also beginning to reduce.
- 1.40 Our investment in education has also transformed the range of opportunities available to young people at 16 and sought to ensure fair access to these opportunities. Key measures include providing students from disadvantaged backgrounds with Education Maintenance Allowances and improving maintenance grants for those participating in higher education so that two thirds of undergraduates receive a full or partial grant. Together these have helped reduce the gap between the higher education participation rates of higher and lower socio-economic groups.
- 1.41 With the help of businesses and industries, we have rescued Apprenticeships and they are now a mainstream option for young people, and achieved a major increase in the overall number of Apprenticeships on offer. And by expanding higher education, more able young people than ever before now benefit from higher education.
- 1.42 The results of these changes can be seen in the fact that today some 78.7% of 16- to 18-year-olds take part in education or training – the highest proportion ever. We have already stated our intention to increase this still further, by raising the participation age to 18 from 2015.
- 1.43 In the PBR, we also announced £14.5 billion of additional spending on education by 2010/11, helping us take forward – among other programmes – further reforms to Apprenticeships, continued capital investment in schools and colleges, and improved pathways to higher education.

- 1.44 But our investment in education has not just been in young people. Because much of the labour force of the future is already of working age, it is vital that the Government also invests in lifelong learning if we are to unlock the talents of the whole workforce.
- 1.45 We have worked closely with employers to better understand their demands, and tailored provision accordingly. By 2010/11, we will be investing over £1 billion in workplace training through Train to Gain, a programme designed in response to employer needs.
- 1.46 The Government has also prioritised helping those adults who did not achieve their potential in education the first time round. Since 2001, over 2.25 million people have improved their basic skills, and we have put in place a legal right for adults to get free training up to Level 2, to help increase their employability. This is part of an overall increase in public investment in further education of some 53% in real terms between 1997/98 and 2007/08.
- 1.47 This has not just helped raise overall skill levels: it has made a difference to employment prospects too. Recent evidence suggests that around the year 2000, following two decades of decline, income mobility in work began to pick up.
- 1.48 Together, these policies should help improve the relative and absolute social mobility of current generations as they reach adulthood and join the workforce. That is when the full impact of the Government's approach will become apparent.
- Responding to emerging opportunities**
- 1.49 But our aim now is to go further and provide more opportunities for current generations to be socially mobile.
- 1.50 We must also maintain a focus on equipping people to access the opportunities of the future. To achieve this we need to:
- position the UK economy to benefit from emerging global job opportunities;
 - help build up everyone's capabilities and unlock their talents, throughout their lives, so they can take advantage of these opportunities; and
 - ensure that the families and communities in which people develop are best able to support them to realise their potential.
- 1.51 Therefore in chapter 2 of this white paper we explain how the Government's economic policy will direct this response, building on our existing strengths to create the right conditions to seize the opportunities ahead.
- 1.52 In chapters 3 to 6, we look at each of four life stages that are crucial to people building their capabilities: early years, schooling, transitions to adulthood and progression in work. For each we consider how recent progress and current policy can be extended to better support people develop their capabilities.
- 1.53 In chapters 7 and 8 respectively, we set out how the Government will continue to support families more effectively – furthering our work

to reduce child poverty and other pressures on parents – and provide more targeted help to communities, particularly those in disadvantaged areas.

Working together

- 1.54 These choices are not just ones for government, but for everyone in the UK. This white paper sets out how the Government will provide strategic leadership to increase social mobility, but the Government cannot deliver this alone. We will work with people, families, communities, businesses, local government and partners, and the third sector to give the UK the right platform for success and to benefit from the new opportunities.
- 1.55 The proposals set out in this white paper will impose costs on local authorities (including police and fire authorities). By improving social mobility they will also deliver significant savings. In line with the Government's new burdens doctrine, any net additional costs will be fully and properly funded by central government so that no additional pressure is placed on council tax bills.
- 1.56 While this document highlights common challenges, values and themes that run across the four countries of the UK, many of the areas of policy delivery highlighted focus on England. Therefore, while the context is UK wide, in Northern Ireland, Scotland and Wales action to address the majority of the policy areas covered by this document is the remit of the devolved administrations.
- The priorities of the Northern Ireland Executive in these areas are reflected in the policies and strategies identified in the Executive's *Programme for Government*.
 - The Scottish Parliament is responsible for legislation affecting many areas, including local community infrastructure, health and education. The Scottish Government's framework aimed at tackling poverty, *Achieving Our Potential*, outlines the key actions being taken forward to help alleviate disadvantage.
 - The Welsh Assembly Government has also set out its priorities in *One Wales*, a progressive agenda for improving the quality of life of people in all of Wales's communities, from all walks of life, and especially the most vulnerable and disadvantaged.
- 1.57 Over the past decade, in recognition that the best third sector organisations provide both a safety net and a springboard to people when in greatest need, the Government has more than doubled public spending in these organisations from £5 billion to £11 billion. The role of strong communities and charitable organisations in providing people with the support, motivation and aspiration to improve their lives is key and the Government is committed to working with the third sector as partners to reach out and drive change.
- 1.58 Public bodies, including local government, have a crucial role in helping people to fulfil their potential and in removing the barriers that hold people back. We have already legislated to require public authorities

to tackle the inequality that arises from race, gender, or disability. But we know that inequality does not just come from your gender or ethnicity, your sexual orientation or your disability. Co-existing and interwoven with these specific inequalities lies the persistent inequality of social class. While we have PSA targets and indicators across Government to narrow gaps arising from social class and income, there is currently no over-arching requirement on public authorities to address the inequalities people face associated with where they live, their family background or the job they do.

- 1.59 That is why we will consider legislating to make clear that tackling socio-economic disadvantage and narrowing gaps in outcomes for people from different backgrounds is a core function of key public services. This could take the form of a new strategic duty on central departments and key public services to address the inequality that arises from socio-economic disadvantage and place this objective at the core of their policies and programmes.
- 1.60 The purpose of such a duty would be to firmly engage the public sector in delivery of the ambitious agenda set out in this White Paper, to ensure successive generations have the opportunities to realise their potential and improve their position in society, delivering improvements in wealth, wellbeing and ambitions for individuals and their families and ensuring a fairer and more equal society.
- 1.61 Further work and consultation is required before the Government reaches a definitive conclusion on the best way of tackling this disadvantage. This will draw on the emerging findings of the National Equality Panel, chaired by Professor John Hills, which is looking at how factors such as who you are interact with your social and family background to affect life chances.
- 1.62 We will seek the support of the Devolved Administrations in Scotland and Wales, where such a duty would have an impact on devolved matters.
- Looking forward**
- 1.63 Increasing social mobility is not a short-term step. Instead, it is a long-term, cumulative process, where changes at each stage will create new requirements in the future.
- 1.64 The policies we are announcing in this white paper are therefore just the start of our approach to increasing social mobility and improving life chances. We are combining investment in those areas that – over the long term – can have the greatest impact on individual capabilities, such as the early years, with targeted policies that can reap rewards soonest, in particular by investing in the skills of the current workforce. Future decisions will build on these foundations to give everyone living in the UK the opportunities they need to get on and get ahead, both in their own lives and in the aspirations they have for their children.

2. Success in the global economy



“Developing clean sources of energy is going to be vital to our future – as well as the future of the global economy. Thanks to our skill base, government investment and the UK’s reputation for innovation, we’re in an ideal place to be doing it.”
Chris Jackson, Intelligent Energy

We know that there are tough economic times ahead for both businesses and individuals across the UK and we have taken a broad range of actions to respond to the current climate. But looking further ahead, the longer-term trends remain clear: medium to long-term growth in the global economy, leading to immense new job opportunities. The continuing re-emergence of China and India and the global shift to cleaner and more efficient energy usage in response to climate change are just two of the huge opportunities offered to the UK by globalisation over the medium and long term

The UK is already well-positioned to grasp these opportunities. We have a mature business infrastructure, a culture that encourages innovation and enterprise and a flexible, talented workforce. UK businesses are global leaders in key technologies.

Our goal is to build on these foundations. We want to ensure that our infrastructure provides the right support for future business success. We want to provide the right climate to nurture continued innovation and enterprise. And we want to unlock the talents of the whole of the workforce. In this chapter, we set out our strategic approach – a new industrial activism – to achieving this goal so that more companies like Intelligent Energy can emerge, develop and thrive on the global stage. That, in turn, will mean more and better job opportunities for all.

A new industrial activism for building on our strengths and seizing new opportunities

2.1 The developments in the global economy outlined in chapter 1 present the UK with new challenges but also offer an immense opportunity

to benefit from a growing global economy and greater economic integration in the medium and long term.¹

2.2 To fully benefit from this global opportunity and ensure that both current and future generations in the

¹ HM Treasury, *The UK economy: addressing long-term strategic challenges*, 2008

UK have new and better opportunities to reach their full potential, the UK economy must build on its existing strengths enabling businesses and workers to operate in the global marketplace of the future.² This requires a fair society that is socially equipped to create more winners from globalisation, as well as putting in place the conditions that will help British business succeed in a global economy – a new industrial activism.

2.3 This chapter sets out the strategic approach the Government can and will take working with the market to enable current and future generations to get the most out of globalisation and to ensure there are new opportunities for us all to seize. This strategic approach builds on existing strengths with a new industrial activism to:

- build a world-class business infrastructure of the future, which enables UK workers to continue to operate effectively in a rapidly changing global economy;
- provide long-term opportunities, recognising that government can and must complement market dynamics to get the best outcomes for our economy;
- encourage innovation and enterprise that will drive the prosperity and high-value employment of future economic growth; and
- enhance the skills of our workforce, investing in people so that UK businesses have the skills they need, and people themselves have the opportunities to get on.

2.4 The UK already has many world-class businesses and sectors and is recognised by the World Economic Forum as one of the best countries in which to do business. In particular, we are a place where innovation thrives, and we are a global leader in areas such as research and development (R&D) and specialist manufacturing.³

A strategic approach to build the world-class business infrastructure of the future

2.5 As identified in chapter 1, changing global production patterns mean that the UK's business role is set to change. Increasingly, we need to be able to deliver services virtually and operate as an integral part of more segmented production chains. This means that we need a world-class transport and communications infrastructure that enables UK companies to thrive in a global marketplace.

2.6 Much of this is already established. We are already at the heart of world trade and have a regulatory outlook that encourages openness, fairness and competition. We will continue to promote these trading principles, in particular in working with emerging economies and in shaping and defending the rules that govern international trade. We will continue to actively promote export opportunities for UK companies and to assist UK exporters in breaking into new export markets.

² Cabinet Office, *Getting on, getting ahead*, 2008

³ Department for Business, Enterprise and Regulatory Reform, *Manufacturing: new challenges, new opportunities*, 2008

Transport infrastructure

- 2.7 Over recent years, the Government has extensively invested in efficient and reliable transport networks, both within the UK and to support international trade and travel. Key developments include the completion of the Channel Tunnel Rail Link and the new St Pancras station, Terminal 5 at Heathrow, and the Highways Agency's ongoing programme of motorway and trunk road schemes.
- 2.8 We recently published a consultation on the transport goals and priorities for 2014–19 and beyond, as part of the continuing response to the Eddington Transport Study and the Stern Review. This work will further establish the Government's long-term ambitions.

Communications infrastructure

- 2.9 Although the UK is already well connected and has many firms at the forefront of the communications revolution, the Government recognises that further investment in a digital infrastructure is vital to supporting UK businesses and to enabling us to operate as part of global production chains.
- 2.10 In January 2009, we will publish an interim report, followed by a comprehensive report in summer 2009, on how to secure the UK's place at the forefront of innovation, investment and quality in the digital and communications industries. *Digital Britain* will be developed by Stephen Carter, the first Minister for Communications, Technology and Broadcasting. The aim of this work

is to identify how we can advance our standing as a world leader in these industries and use them to improve overall quality of life and to support business growth.

A strategic approach to promote long-term opportunities

- 2.11 Industrial activism in the 21st century means recognising that there is a complex mix of factors required for industrial success and recognising that government can and must complement market dynamics to get the best outcomes for our society and economy. This is about working with the market to enable sectors to succeed, not undermining it.
- 2.12 As global demand evolves, many new industries will spring up to harness new technologies and meet new demands in both the global and domestic economy.⁴ Our aim is that the UK will set the pace in these new industries. This requires the Government to work closely with businesses, researchers and analysts. Together we need to understand and anticipate both changing demand and emerging technology, the main challenges different sectors will face and we must ensure that these are fully considered in policy development.
- 2.13 For example, the low-carbon industry is large, global and growing rapidly. It is estimated that the overall value of the low-carbon energy industry could be at least \$3 trillion per year worldwide by 2050, and that it could employ more than 25 million people.⁵ Having recognised early on that this

⁴ Cabinet Office, *Getting on, getting ahead*, 2008

⁵ Commission on Environmental Markets and Economic Performance, *Final report*, 2007

is a sector that will grow, we have developed a low-carbon strategy that has helped stimulate business growth, has backed UK innovation and has placed us at the forefront of the global marketplace. If Britain maintains its share of growth, the number of people employed in our environmental industries within the next two decades could increase to more than a million.⁶ We will shortly be setting out our proposals on low-carbon industry, which will lead to a new low-carbon strategy later in the year.

- 2.14 It is precisely now, in a downturn, that it is most important to be reflecting on our long-term strengths and to put in place the conditions for future success – success defined by high levels of research, the commercialisation of innovation and the creation of a world-class workforce and infrastructure. Here the role for strategic government becomes vital, because these are not things that the market will automatically deliver on its own.

Joining up government policy and support

- 2.15 Skills, transport, planning, public procurement, intellectual property and many other factors that government influences all play a role in shaping the conditions in which business operates. We are committed to increasing our awareness of how policies interact to create and define the general business environment so we do more to promote growth and attract foreign investment. This is not just an issue for central government; it is also crucial that all delivery partners – especially those focused

on specific regions – continue to work together to provide a more joined-up and streamlined approach to achieving our objective for long-term economic growth **in all parts of the UK.**

- 2.16 A sub-national approach (through regional, city-regional or sub-regional working) will often provide the most appropriate level for coordinating a range of policies, such as planning, housing, transport, skills and regeneration, to provide the support and infrastructure for sustainable economic growth. As set out in the Pre-Budget Report (PBR)⁷ the Government will encourage and support the development of Sector Productivity and Progression pilots by:
- working with city-regions to ensure that employers and local partners identify sectoral skills in their strategies;
 - helping local partners to develop strategies for meeting these needs that take advantage of the full range of support available; and
 - ensuring that any barriers to partnership working are identified and overcome.
- 2.17 International evidence suggests that this sort of partnership can create clearer pathways for low- to medium-skilled workers to progress and can provide a stimulus for employers within sectors to boost productivity and create higher-value jobs. The Government will develop these proposals ensuring that city-regional strategies fully complement regional economic strategies and local strategies.⁸

⁶ Commission on Environmental Markets and Economic Performance, *Final report*, 2007

⁷ HM Treasury, *Facing global challenges: supporting people through difficult times*, 2008

⁸ HM Treasury, *The UK economy: addressing long-term strategic challenges*, 2008

- 2.18 In some cases, we must be ready to work with industries to ensure that we support development where it seems as if the market alone might fail. We cannot predict the future, but we know that strengths in high-value-added and innovative activities will be crucial to long-term growth.
- 2.19 In the PBR, the Government announced that, as part of the drive to stimulate the economy, we will increase support for low-carbon growth and jobs by accelerating £535 million of capital spending on energy and efficiency, rail transport and adaptation measures.
- 2.20 It is not just a case of investing in new industries. We also need to continue to improve existing sectors, especially those that will be most affected by changing global and local demand and expectations. This includes how we continue to move in line with the expectations of customers towards the goal of truly personalised and high-quality public services.⁹
- 2.21 Globally, the re-emergence of China and India and the growth in demand for high-value goods and services provide opportunities, for example, for the UK to become a world-leading exporter of world-class education. The Ningbo campus is the first Sino-foreign university in China and is run by the University of Nottingham.¹⁰
- 2.22 Domestically, expectations of the public service sector are also increasing as people's lifestyles continue to change and consumers are more informed. For example, parents are demanding higher-quality childcare, wanting childcare workers to go beyond providing a supervisory role to a more personalised one that supports their child's emotional wellbeing and cognitive skills. In *Excellence and fairness*,¹¹ we set out our proposals for raising service standards and moving towards the goal of truly personalised public services – in line with citizen expectations. Primary care trust staff now have the right to establish their own social enterprise, giving health professionals the freedom to improve and tailor services by operating as an independent business. We aim to extend this right to other public sector professionals.
- A strategic approach to encourage innovation and enterprise**
- 2.23 With the emergence of new industries and the continuing evolution of existing sectors, ensuring a climate of innovation and a culture of entrepreneurialism is critical to achieving our goal – enabling UK businesses to seize the opportunities of the future in the global economy today.
- 2.24 The innovation and entrepreneurialism of our economy will drive the wealth and high-value employment of future economic growth. Government's role is to encourage innovation and to support enterprise which is needed to enable businesses to develop across the whole of our economy. Individuals and businesses must continue to benefit from the structures and framework being put in place to ensure we grasp the opportunities of the future.

9 Cabinet Office, *Excellence and fairness: Achieving world class public services*, 2008

10 Cabinet Office, *Getting on, getting ahead*, 2008

11 Cabinet Office, *Excellence and fairness: Achieving world class public services*, 2008

Case study: Supporting UK businesses

Intelligent Energy is a Loughborough-based business that has developed world-leading technologies for clean energy production. These include fuel cell technologies that can be used in vehicles, in consumer electronics and even for domestic and industrial energy supply. The firm is partnering with leading companies across the world to put its technologies into commercial use. For example, it is working with Suzuki to create fuel-cell-powered motorbikes and has already helped PSA Peugeot Citroen improve battery range in its vans.

The company has benefited enormously from the Government's approach to supporting business, both through direct funding and commercial advice – as well as by creating the right conditions for Intelligent Energy to thrive.

“The Government has helped us from the beginning of our technology development,” acknowledges Chris Jackson, senior project manager at Intelligent Energy, “and support from BERR and especially the Technology Strategy Board (TSB) is vital to us now. They are providing us with funding and advice to help us install fuel cells in a fleet of London taxis, which will prove the effectiveness of our technology in a very public way. Support like that is very valuable.

“Alongside that, the very fact that the Government is aware of the importance of clean energy is invaluable. The UK's funding of fuel cell R&D in universities provides a key pool of people – the majority of our company is UK-educated. And the Government is also involved in the strategic planning of the industry as it develops globally – helping us compete with growing economies.”

Enabling innovation

- 2.25 The *Innovation Nation* White Paper¹² sets out the Government's ambition of making the UK the best place in the world to be an innovative business, public sector or third sector organisation.
- 2.26 The Government is committed to supporting innovation in existing companies and sectors as well as investing in knowledge transfer and R&D. Investment in science

has doubled, further improving the attractiveness of the UK for research and innovation, and we have introduced the R&D Tax Credit, through which more than £2.3 billion of support has been given to businesses since they were launched in 2000.¹³

- 2.27 The *Innovation Nation* White Paper sets out how government can send signals or set policy in a way that encourages innovation. For example, the Government spends billions of pounds

¹² Department for Innovation, Universities and Skills, *Innovation Nation*, 2008

¹³ Further information available at: www.berr.gov.uk/dius/innovation/randd

every year procuring public services and building vital infrastructure. It is important that we harness this to support innovation.

- 2.28 The UK has a strong tradition of scientific entrepreneurship, and we will continue to invest to support this. We have provided dedicated support for knowledge transfer activities between universities and firms, including the Higher Education Innovation Fund, the Knowledge Transfer Partnerships programme and the University Challenge Funds.
- 2.29 Building on the *Innovation Nation* White Paper, the Government has recently set out further actions to maintain our progress on innovation to cope with the economic downturn and to emerge stronger from it, including:
- a commitment from every government department to produce an Innovation Procurement Plan, setting out how they will procure innovative products and services, providing new opportunities for innovation by businesses and the third sector;
 - the rolling out of Innovation Vouchers by the Regional Development Agencies (RDAs) to help business access the expertise of the UK's knowledge base, building to a level of 1,000 vouchers per year by 2011; and
 - a new pilot programme to ensure UK businesses benefit from the specialist expertise of further education colleges to make businesses more innovative and enable them to move into new markets.¹⁴

Stimulating enterprise

- 2.30 Encouraging enterprise and unleashing entrepreneurship will be vital to ensuring a dynamic economy and seizing new opportunities. The Government is committed to developing everyone's entrepreneurial skills in order to position the UK economy and its workforce to respond rapidly to new opportunities in the global economy.
- 2.31 The Government's vision, as set out in the Enterprise Strategy,¹⁵ is to make the UK the most enterprising economy in the world and the best place to start and grow a business. We must unlock the nation's entrepreneurial talents; boost enterprise skills and knowledge; help new and existing business get funding to start up and grow; and ease the burden of regulation – particularly on small enterprises that feel its impact most.
- 2.32 We are encouraging a culture in which talent can be unlocked and flourish, recognising differences in enterprise culture across different social groups, reducing the fear of failure that holds enterprise back, and giving everyone the opportunity to be entrepreneurial. As a measure of success, the Government will look to see an increase over time in the proportion of people with the ambition to start and grow their own business.
- 2.33 We are ensuring that individuals and businesses have access to and are able to develop the best possible knowledge and skills to support the growth of their business. Building on announcements in 2008, we will

¹⁴ Department for Innovation, Universities and Skills, *Annual innovation report, 2008*

¹⁵ Department for Business, Enterprise and Regulatory Reform, *Enterprise: unlocking the UK's talent, 2008*

augment the portfolio of publicly funded business support products with products to support collaborative or single company R&D and knowledge transfer and exchange, under the Solutions for Business brand.

2.34 In the PBR the Government committed to implementing further measures to ensure small firms have access to finance in the current economic climate and we will very shortly be launching a range of measures to facilitate this. In addition, £10 million of risk capital has been earmarked for social enterprise.

2.35 Recognising that unnecessary or overly complex regulation can stifle enterprise and has a disproportionate impact on small firms, the Government will build on its targeted net reduction in the administrative burden of regulation of 25% by 2010.

2.36 Furthering the Government's Enterprise Strategy to enhance the UK's enterprise culture, we will now facilitate ensuring entrepreneurial skills for all by:

- working with leading organisations such as the Prince's Trust to actively encourage under-represented groups to consider entrepreneurship and self-employment as a route to realising their potential in the economy;
- examining new mentoring approaches to further support business start-up, including through online social networking, to ensure that aspiring entrepreneurs have the best support available to grasp new opportunities; and

- continuing to make enterprise education available in schools and through the third sector so that an enterprise culture is embedded from an early age and that everyone has the opportunity to gain the entrepreneurial skills needed to compete in the global economy.

A strategic approach to develop the skills of our workforce

2.37 Without doubt, the most important strand of the Government's investment in business is our investment in people's talents. Industrial activism means in part that, if UK businesses are to seize the opportunities a global economy provides them, they must be enabled to access the skills they need. The development of individuals' skills in turn helps them realise their potential.

2.38 Over recent years, the Government has made a real impact with an increasing number of Apprenticeships, a growing proportion of people of working age with qualifications and increasing numbers of students entering university. Our investment in our workforce covers three strands:

- **investing in the workforce of the future**, by improving education from the early years through to working age. Our policies and approach to this are set out over the next three chapters.
- **investing in the current workforce**, ensuring that there are opportunities for lifelong learning open to all – whether in work or outside it – and working with employers to help people acquire the skills they need to meet today's labour demands. This

has been a policy priority over the last few years and in chapter 6 we explain how we are taking this forward.

- **adopting a strategic approach to raising skills levels to meet demand**, in particular in the emerging sectors. This means taking a more rigorous approach to identifying demand and ensuring we have the right skills in the right place at the right time.

Identifying and raising demand for skills

- 2.39 To attract and retain more and better job opportunities, we need to ensure that the skills within the labour pool are those most needed in the global economy. Our approach continues to reflect the principle of demand-led and customer-driven by employers and learners. And demand-led means individual employers will be able to access our Train to Gain (£1 billion annually by 2010/11) service direct, including through the integrated skills brokerage service to be offered by Business Link from this April. But equally we will not deliver on the new industrial activism by that approach alone, which is why we need a more strategic approach to working with employers and others to identify and raise the demand for skills.
- 2.40 That is why, as set out in the PBR, the UK Commission for Employment and Skills (UKCES) will carry out a periodic strategic skills audit to identify where there are skills gaps and how provision could better supply the skills that employers most need. Further details will be set out in the Commission's five-year strategic plan for 2009–14, due to be published in April 2009.
- 2.41 UKCES will ensure we are regularly updated on the medium- and long-term skills needs of the nation. But we also need decisive action on the ground to follow through on the implications of the country's strategic skills needs, including as they affect each region. That is why we are tasking the Learning and Skills Council (LSC) to work with business partners in all parts of the country, including UKCES, the Sector Skills Councils, RDAs and Jobcentre Plus (JCP), to ensure that skills provision in each region can respond to the area's strategic skills needs. Our proposed Skills Funding Agency will pick up this work from the LSC in 2010, subject to legislation.
- 2.42 This regional approach to skills is vital, but it must be complemented by strategic action in support of sectors. Consequently, through our compacts with employer-led Sector Skills Councils, we are also taking a strategic approach to identifying and raising demand for skills in each sector. That will ensure sectors can draw down support through our Train to Gain service, which will be supporting some £1 billion annually of workplace training by 2010/11. And we are aiming to expand the network of National Skills Academies, until it covers all sectors of the economy, to bring about employer leadership of the training and curriculum offer made by the supply side.
- 2.43 We will also extend provision in the areas pinpointed by Sector Skills Councils and RDAs through our further education (FE) capital investment strategy, *Building Colleges*

- for the Future*.¹⁶ This will enable the FE sector to deliver greater specialisation in targeted sectors and extend eligibility for capital funding to the voluntary sector, work-based learning and other providers. A significant proportion of our capital investment of £2.3 billion will support the increased specialisation of FE colleges and other providers. And we will continue to improve the responsiveness to business of FE colleges, including through the Framework for Excellence and the Training Quality Standard.
- 2.44 The strategic approach to skills is also ensuring we are helping business and individuals through the downturn, and positioning them to thrive in the upturn. That includes small and medium-sized enterprises (SMEs) being top priority for our Train to Gain service (£1 billion by 2010/11); and joint work by JCP and the LSC to help the unemployed get back quickly into sustainable employment, with guaranteed Train to Gain support for their employer once they do so.
- 2.45 Our approach also means we are exploiting the skills implications of the big strategic programmes being led by government, such as London 2012. We are piloting new initiatives in the manufacturing sector and, through London 2012, in the construction sector. For example, we are looking at ways to better manage training and deployment of construction workers between the London 2012 and Crossrail projects. In practice, this means that more employers will have access to workers with the relevant skills, and that the cost of training is distributed across businesses.
- 2.46 Another key dimension of our strategic approach to skills is use of the power of government procurement contracts. We are ensuring that government considers skills issues and promotes skills training opportunities for people working on government contracts through public procurement. The PBR announced that for construction projects, government departments and their agencies will now consider, on a case-by-case basis, making it a requirement that successful contractors have apprentices as an identified proportion of their workforce. We will build on this approach in other sectors, including IT.
- 2.47 We will also need to see local authorities and RDAs taking forward the skills procurement agenda using contract management and planning powers. Skills and training objectives and resources can be powerfully augmented by what local authorities and Multi Area Agreements (where appropriate) can also contribute.
- 2.48 Our universities have a substantial regional and sub-regional economic impact as large employers in their own right and as key strategic contributors to the economy – for example in supporting skills and research capacity in the nuclear industry in the north west; as well as through specific initiatives to support businesses and individuals. Universities are continually working to improve their responsiveness to business, including through growth in employer co-funded higher education; the expansion of work-relevant Foundation Degrees; and support for innovation and

¹⁶ Learning and Skills Council, *Building Colleges for the Future*, 2008

knowledge transfer. They are also providing critical support for science, technology, engineering and mathematics (STEM) subjects, where we are seeing increases in accepted STEM applicants of 6% – providing the graduates with those skills that employers value most.

- 2.49 Through our new University Challenge, we will either have committed to or opened new university centres or campuses in 20 towns in the next six years. These centres will provide the research capacity to support local innovative companies to drive their businesses and the economy of the region.
- 2.50 The Government is committed to achieving world-class public services, offering personalised approaches that are responsive to individual needs and aspirations. A more flexible, higher-skilled professional workforce will be crucial here to meet increasing citizen demands and expectations for services that are tailored around their personal needs.¹⁷

Skills for leadership and management

- 2.51 High-quality leadership and management are critical factors in successful businesses. Good leaders and managers are able to identify new market opportunities and recognise the importance of developing the skills and talent of their workforce. Many businesses and individuals already invest substantially in these skills. Universities and other education providers also recognise

the critical importance of equipping their students with leadership and management skills as they prepare to enter the workforce and in supporting them through their careers.

- 2.52 We need to make sure that investment in both the current and future UK workforce develops the high-quality leadership and management skills we need to compete effectively in the global economy and to provide employment opportunities in the UK. We will work in partnership with the UKCES to consult leading employers and academics about the best way to achieve this, building on our current state of knowledge about leadership and management development and practice in the UK.

Skills for digital inclusion

- 2.53 The recently published HM Government consultation *Delivering Digital Inclusion: An Action Plan for Consultation*¹⁸ recognised that a significant opportunity for increasing skills exists in the UK, with an estimated 17 million people over the age of 15 not using computers and the internet. Analysis of those who are missing out showed a strong correlation with those experiencing social disadvantage. Research showed that 15% of the population – more than 6 million adults – are both socially and digitally excluded.¹⁹ Providing them with ICT skills is a key mechanism for ensuring that all can access new opportunities in the global economy.

¹⁷ Cabinet Office, *Excellence and fairness: Achieving world class public services*, 2008

¹⁸ HM Government, *Delivering Digital Inclusion: An Action Plan for Consultation*, 2008

¹⁹ Digital Inclusion Team, *The Digital Inclusion Landscape in England: Delivering Social Impact through information and Communications Technology*, 2007

2.54 For excluded communities and groups, enabling best use of digital technology can directly impact on their skills, and subsequent ability to be part of a skilled workforce. Research shows that there is a significant wage premium for jobs involving computer and internet use.²⁰ The creation of a Digital Champion will provide a clear channel of communication between the Government, industry, the third sector and excluded communities and groups.

Skills and the introduction of the points-based system for migration

2.55 All these reforms, and the substantial government support offered to individuals to help them get a job, move on at work and build a better life for themselves and their families, are critical in ensuring that UK workers have the skills to compete for the jobs that become available.

2.56 However, evidence also highlights how migration makes a valuable contribution to the growth of the UK economy, by helping to meet labour and skill shortages in the public and private sectors.²¹ Although our primary concern must be to ensure that the right training and active employment measures are in place so that UK workers can meet local skills shortages and no employer should feel they have to seek migrant labour because there are avoidable local skills shortages, we recognise that there may be a need for managed migration to ensure businesses are ready to compete.

2.57 This is often sector-specific, with skills shortages arising in new or fast-growing industries – as has been the case recently in the ethnic restaurant and care homes sectors. We will work with employers and their representative bodies in these sectors to ensure there are relevant, high-quality training opportunities for UK workers to access available jobs, with expert advice from the independent Migration Advisory Committee to ensure that our new points-based system – alongside our wider immigration reforms – enables only those migrants with the skills and talents to be of benefit to Britain to be admitted. We will also ensure that, consistent with our proposals on earned citizenship, those seeking to benefit from new opportunities within the UK and the social mobility that emerges from them should earn the right to do so.²²

Grasping the new opportunities

2.58 Although current conditions may raise concerns about the global economy, its expansion in the coming years and decades will be a huge opportunity for the UK. It will create new customers for the goods and services that the UK is already good at providing.

2.59 Our goal is to equip the UK to grasp these opportunities and to position ourselves at the very heart of the global economy. We are focused on building on our strengths – in particular, our reputation for innovation and the talents of our workforce – and continuing to invest to ensure that we have the right

²⁰ Dickerson and Green, *The growth and valuation of computing and other generic skills*, 2004

²¹ Migration Advisory Committee, *Skill Shortage Sensible: The recommended shortage occupation list for the UK and Scotland*, 2008

²² Home Office, *The Path to Citizenship* Green Paper, 2008

transport and communications infrastructure to support business growth and success.

- 2.60 By creating a culture that encourages enterprise, supports innovation and that has the underlying infrastructure and stability to enable businesses to thrive, we can provide firm foundations from which to grasp these global opportunities – and so generate more and better jobs for the whole of the UK. This is the route to a more prosperous and fair society that provides opportunity for all.
- 2.61 This chapter set out the Government's strategic approach to ensuring new opportunities for the current and future generations. The following chapters set out how the Government will ensure that people are able to realise these new opportunities.

3. Supporting child development in the early years



“Since going to the Everton Children and Family Centre, Daniel just seems happier. He’s more confident, polite and courteous. But if I hadn’t been able to get him a free childcare place, I wouldn’t have been able to afford to send him.” Annabel Muir

A child’s early experiences and the environment in which they live and learn during their early years have a profound impact on their subsequent lives. That is why over the last decade we have introduced a range of policies to help parents give their children the best start in life.

In this chapter, we explain why this has been a policy priority and show how improving early years provision has made a real difference to families everywhere. More importantly, we set out how we are going to take this work forward with new policies that reinforce our commitment to giving children that start, unlock the talents of families everywhere, and ensure that children from disadvantaged backgrounds have the same opportunities as their peers.

The impact of the early years environment on child development

- 3.1 The psychological, social and physical environment that children experience when they are very young has a profound impact on their subsequent lives. Recent research shows that most of our important neural development has been formed by the age of three. We know, too, that language skills children have acquired by the age of five are a critical predictor of later life chances.
- 3.2 Gaps in development between children from different backgrounds open up early. Children in the 30% most disadvantaged local authorities remain far less likely to be developing well than children in other areas at age five (39% compared to 55%), and there is a significant gap between lowest achieving children and the rest.¹
- 3.3 This means that the early years offer a unique opportunity for learning and development. But it also means that if this opportunity is missed, it is hard for children to catch up. This is damaging to individuals and to society as a whole.

¹ Department for Children, Schools and Families (DCSF), *Foundation Stage Profile Results in England, 2007/08*

Our priority: a better start in life for all children

- 3.4 We want to improve the environment that all children in this country experience in their early years, giving them the best start in life and reducing the gaps between children from different backgrounds. This has been a core element of government policies since 1997, forming the foundations of the Children's Plan.
- 3.5 Good health in the early years lays the foundations for positive development. But evidence shows that the greatest influence on outcomes is how parents interact with their children. The quality of those interactions, and the amount of time parents spend with their children in the early years, depend both on the capabilities of the parent and the pressures they face. In the first few months, consistent and responsive parenting is vital in order for babies to form healthy attachments. While parenting remains the most critical factor in child development for toddlers, evidence also shows that access to high-quality early learning and childcare can make a critical difference.
- 3.6 For these reasons, the Government's investment has focused on three main areas, which continue to be priorities:
- **improving the health and well being of children;**
 - **providing more effective support to families** to reduce the pressures they face; and
 - **ensuring that parents can access high-quality early learning and childcare** for their children.

Improving the health and well being of children

- 3.7 We have introduced the Child Health Promotion Programme (CHPP) for all children, which aims to reduce health risks during pregnancy and then throughout a child's early years. The programme not only benefits the individual as a child by supporting healthy development, but brings further benefits in adult life as well as cost savings to society as a whole.
- 3.8 Our next step is to meet our Children's Plan commitment to develop a new Child Health Strategy. This will lead to a number of changes and new initiatives. Some of the plans already confirmed include:
- the development of a new antenatal education and preparation for parenthood programme, giving first-time fathers and mothers a greater understanding of child development and how they can influence it;
 - improving links between services provided by the NHS and local authorities, to provide a more joined-up approach to early years development. For example by linking health visitors to both Sure Start Children's Centres and GPs, parents will be able to access the advice they want in different settings; and
 - a focus on midwives and health visitors engaging fathers as well as mothers. We are promoting the importance of all family services involving and supporting fathers through a 'Think Fathers' campaign, which will raise awareness and provide guidance to the workforce on how to better engage fathers.

3.9 It is crucial that the improvements to children's health are maintained as they reach school. We are introducing a new Healthy Child Programme for school-aged children and piloting the introduction of free school meals for primary school pupils to assess the impact on their health.

3.10 The Government will continue to provide targeted support for those with additional health needs. We will introduce individual care plans for children with poor health to help them improve their lifestyle and diet. We will improve support for disabled children, in line with the proposals in *Aiming High for Disabled Children*, to empower them and their families.

Providing more effective support to families

3.11 The most important drivers for good child development are strong parental attachment from birth, responsive parenting and a good home learning environment. Parents' interest in their children's education has been shown to have four times more influence on attainment by age 16 than socio-economic background. With that in mind, we want to do more to help both fathers and mothers relate positively and consistently to their children at home – especially during the early years, when they have the strongest influence on their child's development. So it is critical for the Government to do what it can to reduce the pressures on parents especially during the early years, when they have the strongest influence on their child's development.

Enabling parents to balance work and family life

3.12 Over the last decade, the Government has put in place a whole raft of measures to help mothers and fathers better balance the often competing pressures of family and work. In 1997, there was no paternity or parental leave and only 18 weeks maternity leave and pay. Today, mothers have 12 months maternity leave and 9 months maternity pay; fathers can take 2 weeks paid paternity leave; and parents have 13 weeks parental leave. The Government is also committed to expanding the right to request flexible working further to all parents with children aged 16 and younger.

3.13 These measures have been welcomed by parents. Some 84% of mothers take all their entitlement to paid maternity leave² and 93% of fathers now take time off around their child's birth.³

Reducing financial pressures on families

3.14 Bringing up children, of course, is an expensive business. And worries about money can increase pressures on parents. The Government has worked hard to increase financial support for mothers and fathers.

3.15 The Child Tax Credit is designed to support families bringing up their children, and recognises the extra financial pressure a baby can exert on a family's income. That is why the Credit is increased for families during a child's first year.

² *Maternity rights and mothers' employment decisions*, 2008

³ *Maternity and Paternity Rights and Benefits: Survey of Parents*, 2005

3.16 The Working Tax Credit provides financial support on top of earnings, and together with the National Minimum Wage helps to improve work incentives and relieve in-work poverty. Through the childcare element of the Working Tax Credit, around 450,000 lower- and middle-income working families are receiving support with the costs of their childcare.

3.17 But we know that financial systems can appear complex and we are committed to making it easier for parents to understand the support they are entitled to. For example, advisers from HM Revenue and Customs have begun visiting Sure Start Children's Centres to give parents financial advice about claiming tax credits. This work began in Preston and Newham in 2008 and has been positively received. The pilot will be reviewed and will inform the design of any further services.

Helping develop parenting skills

3.18 The creation of Sure Start Children's Centres by the Government has given families access to a wide range of early years, health and parental support including, increasingly, specific support for fathers as well as mothers. The first wave of 'trailblazer' Sure Start programmes, 59 in total, started providing services for children under four in 1999/2000. We now have almost 3,000 Sure Start Children's Centres up and running, providing access to local, early childhood services for around 2.3 million children under five and their families. Because they help families to access the support they need within their community, the centres build confidence and relationships, and

improve skills in both children and their fathers and mothers. They are therefore an integral element of the range of resources that we have introduced to help parents bring up their children.

3.19 In Wales, there are now 42 Integrated Children's Centres (ICCs) with a further two due to open during 2009. ICCs aim to tackle child poverty and link a network of providers such as parent and toddler play groups, out of school clubs and childminders to provide enrichment and skills for children. They incorporate part-time education provision for three-year-olds as an important part of the network.

3.20 By 2010 there will be a Sure Start Children's Centre in every community in England. Building on the commitment we made in the Children's Plan, we are also investing an extra £79 million a year to 2011 to provide two outreach workers for centres in the most disadvantaged areas.

3.21 To ensure that Sure Start Children's Centres are an established part of the landscape, we will place them on a statutory basis as part of the forthcoming Children, Skills and Learning Bill.

3.22 More details on how we intend to support families to develop parenting and relationship skills are in chapter 7.

Ensuring access to high-quality early learning and childcare

3.23 The Government has dramatically increased the investment to transform early learning and childcare. We have offered, for the first time, free early learning and childcare places to all three- and four-year-olds.

Case study: Free childcare – benefiting children, benefiting parents

One child that is benefiting enormously from this entitlement is Daniel Muir. Since turning three in April 2008, Daniel has attended the Everton Children and Family Centre, a Sure Start Children’s Centre in Liverpool. Before he went to the centre, Daniel had very little contact with children his own age, and this was affecting him, as his mother, Annabel, explains: “He was terrible at sharing and didn’t really talk to kids or listen to other adults.”

But since taking up the free early learning entitlement, Annabel has seen a major change in Daniel. “He walks up to the children and offers them to share with him. He’s also learning: all of a sudden he’s reciting nursery rhymes, where before he would only remember one word. He’s even beginning to learn German! They listen rather than speak, but they can say ‘Guten Morgen’ to their tutor. It gets them used to a new language and that’s far more than I was able to do at that age. In fact, it’s better than I can do now.”

But it’s not just Daniel that has benefited from being at the centre. Annabel has too. “I help run the Community Parenting course at the centre, which basically means I can help other parents. Sometimes they just want to chat with someone about problems they’re having with their children. Other times it’s more practical help. I really enjoy it and it’s been great for my confidence. Even though it’s voluntary,” she concludes, “it feels professional and it’s a step towards getting back to work.”

- 3.24 Government investment in early learning and childcare in 2007/08 exceeded £5 billion, four times the level in 1997/98. Since the introduction of a universal entitlement to 15 hours per week free early learning and childcare for all three- and four-year-olds, 95% of children in that age range access their free place.
- 3.25 The Government has also provided £250 million in funding since 2006 through the Transformation Fund, and now £305 million up until 2011 through the Graduate Leader Fund, to help transform and professionalise the early years workforce and deliver the Ten Year Strategy for Childcare.
- 3.26 In Wales, the childcare strategy⁴ outlined that all childcare should support the developmental needs of children in Wales, be widely affordable and be flexible so that parents could train to work and balance other commitments.

⁴ Welsh Assembly Government, – *The Childcare Strategy for Wales – Childcare is for Children*, 2005

Providing free early learning and childcare places for two-year-olds from disadvantaged families

- 3.27 The Government is now determined to build on this progress towards its goal of extending free early learning and childcare places to all two-year-olds. We have already introduced free early years places for two-year-olds in some of the most disadvantaged communities. Pilots announced in the Children's Plan make at least 20,000 such places available. In Wales, 'Flying Start' (targeted at the 0–3 age group) provides quality centre-based childcare for two-year-olds on a part-time basis for all children in disadvantaged areas.
- 3.28 Early evidence from these pilots supports other studies which suggest that, by starting earlier in high-quality care, both children and their families benefit.⁵ Children involved have shown improved language development, social skills and behaviour. These have fed into improved family relationships and more confidence amongst parents who, in some cases, have decided to go back to work or college or have accessed other services through the childcare setting.
- 3.29 By extending provision to more of the most deprived two-year-olds, therefore, we can generate significant benefits in terms of children's development. The evidence suggests that these benefits will be greater than extending the amount of time in free early learning and childcare for three- and four-year-olds beyond the existing commitment to 15 hours per week.
- 3.30 The Government has decided to extend the opportunity to those who are likely to benefit the most. As a first step, we are investing £57 million to extend the pilot scheme to 15% of the most disadvantaged two-year-olds nationally. This will make 23,000 free places available each year, spread across every local authority in England. They will provide 10 hours of care per week to the most disadvantaged two-year-olds in the best quality settings for at least 38 weeks a year. Once the child turns three, they will then automatically be entitled to 15 hours of care per week.
- Helping low-income families access the childcare they are entitled to***
- 3.31 Evidence shows that the most vulnerable families and those at the most risk of poverty are the least likely to take up their free entitlement, and often do not engage with services such as Sure Start Children's Centres, which support their child's development.
- 3.32 The Government is determined to make it as easy as possible for mothers and fathers to understand their options and access good-quality childcare for their children, which in turn will make it easier for them to make arrangements for combining work and family life. We will therefore promote awareness and take-up of the free early learning childcare entitlement for three- and four-year-olds, and the health, family support and other services provided by Children's Centres to improve outcomes for children under five, particularly the most disadvantaged.

⁵ The Effective Pre-School and Primary Education 3–11 (EPPE 3–11) Project

- 3.33 We will also look to improve the advice and guidance parents received on the support they are entitled to.
- 3.34 In particular, we will use the next phase of the London Childcare Affordability Programme, which since 2005 has helped more than 8,000 parents find affordable childcare, to test innovative approaches to providing advice and guidance. We want to make the childcare element of the tax credit system as accessible as possible, particularly for the neediest families, and so we are looking at ways to trial providing support to parents based on the childcare that they are actually paying for. Details will be set out in the forthcoming Early Learning and Childcare Strategy document.
- 3.35 A new pilot scheme for Child Development Grants will test how financial incentives can be used to encourage parents to utilise the childcare and other services offered by their local Sure Start Children's Centres. Under this scheme, parents who take up childcare places, and work with Children's Centre staff to take agreed action to support their child's development and improve their families' wellbeing, could be paid grants of up to £200. Further details on financial help are in chapter 7.
- Improving the quality of childcare provision**
- 3.36 We know that quality of provision is critical: children who experienced good-quality care in the early years tend to outperform those who did not in English and maths, even at age 11.⁶
- 3.37 To raise the quality and consistency of provision across all childcare, we introduced the Early Years Foundation Stage, a new set of standards that mean no matter what background children are from, they are entitled to a single, play-based framework for early learning and care. The results are that when children start school, they have a similar basic grounding and, importantly, that they have developed social skills.
- 3.38 The best way to further improve quality is by improving the skills of the early learning and childcare workforce. We want every person involved in providing childcare and early learning provision to young children to have a good minimum qualification. We will therefore consider making it a requirement that all practitioners have a full and relevant qualification of at least Level 3 (equivalent to A-levels) by 2015. We are also prioritising continued work with providers to achieve our commitment to have a graduate in every childcare setting by 2015, and two in the most disadvantaged areas. The Children and Young People's Workforce Strategy⁷ announced that the Government is now considering requiring all full daycare providers to be graduate-led by 2015.
- 3.39 We will back this up with steps to attract and retain the best people, and support career progression throughout the profession. This will be crucial to delivering the more personalised childcare service that mothers and fathers will demand – as identified in the previous chapter.

⁶ EPPE, *Influences on Children's Cognitive and Social Development in Year 6*, Sammons, P. Sylva, K. Melhuish, E. Siraj-Blatchford, I. Taggart, B. Hunt, S. 2008

⁷ DCSF, *2020 Children and Young People's Workforce Strategy*, 2008

Details will also be set out in the Government's forthcoming Early Learning and Childcare Strategy document. One further potential talent pool that is currently under used is those who have been out of work looking after their own children. In chapter 6 we set out how we will support these people to develop relevant skills and return to work.

Supporting child development in the early years

- 3.40 The approach embodied in these policies has been welcomed by families and their impact will be demonstrated fully over time. But there are already signs of a positive impact on children's outcomes more generally. The 2008 Foundation Stage Profile results showed that 21,000 more achieved a good level of development at age five – up by 4% on the previous year. And, for the first time, there has been some narrowing of the gap between the percentage of children achieving a good level of development in the 30% most disadvantaged areas and other areas. The same results also showed that the gap in achievement between the lowest-achieving five-year-olds and others narrowed.
- 3.41 All of this combines to reaffirm that our direction is the right one: by investing in early years, we help children to get the best start in their lives. Together, these new policies and existing initiatives will help us to make tangible improvements to the early years environment of all children, and continue our progress towards reducing the gaps in attainment,

health and development of children at this age.

- 3.42 The result will be more parents, being able to give their children the best possible start in life – meaning both the children and their parents are better equipped to fulfil their potential.

4. World class schools



“The teacher was exceptional: he inspired Amber to look that bit further and be confident. Having someone to take you aside and say ‘You’ve got it Amber, just use it,’ made a real difference.”

Valerie Jones – talking about her granddaughter, Amber Amey

Education has been a top priority for the Government over the last decade. We have doubled investment per pupil and coupled this with far-reaching reform. The result has been much higher standards across the board and a substantial narrowing of the attainment gap for schools with high proportions of pupils from disadvantaged backgrounds.

The Children’s Plan set out our agenda for achieving excellence and equity: driving up standards for all, while continuing to narrow the gaps for individual pupils. Our ambition is world-class schools which raise standards for all pupils, give targeted help to those who need more help to succeed, stretch those that are gifted and talented, and are clearly situated at the heart of their communities.

Our vision for schools is excellent quality teaching of an engaging curriculum, in an environment of good behaviour and high quality facilities, with excellent leadership and support from beyond the school when it is needed. Continued investment, the development of a new school report card, the roll-out of one-to-one support and personalised learning and the continued expansion of academies will all help achieve these goals. But nothing will make as large a difference as the quality of teaching, which is why in this chapter we are focusing on policies that attract more talent into the profession and deploy the most effective teachers to where they are most needed.

Excellence and equity: raising standards for all

- 4.1 As the Children’s Plan made clear, schools have an important role to play in ensuring that childhood is fun and rewarding and in shaping the citizens of the future, and at its

core our education system is about equipping young people to get on in life and to fulfil their potential. School attainment at 16, the evidence shows, is a key indicator of future success. This is why improving the standard of teaching and learning, and as a result

the qualifications that young people achieve, has been our core goal in education for the last 10 years.

- 4.2 Over the past decade we have doubled investment in real terms in every child's school education, with total funding increasing by £2,880 per pupil (97%) in real terms between 1997/98 and 2008/09. We have secured big improvements in the quality of leadership and teaching and learning, and increased the amount of targeted help available to children who most need it, including those with special educational needs. We have remodelled and improved the professionalism of the school workforce, and also expanded it: there are now 35,000 more teachers and 115,000 more teaching assistants in our schools than in 1997.
- 4.3 School buildings have been modernised and rebuilt through the Building Schools for the Future programme, to which we have allocated over £9 billion to rebuild or renew every secondary school in England that needs it – the biggest single government investment in improving school buildings for over 50 years – and the Primary Capital programme. Sustained attention has been given to helping schools improve, and the academies programme has greatly improved opportunities by creating good new schools in areas where standards were too low.
- 4.4 The result has been that standards have significantly improved across the board over the past decade; 2008

saw record results in assessments and examinations with 107,000 more pupils leaving primary school with a good level of English and mathematics than in 1997, and 68,000 more gaining five or more good GCSEs, including both English and mathematics. The international Trends in International Mathematics and Science Study 2007 (TIMSS) found that English pupils ranked in the top five amongst participating countries at age 14 for science; performance in maths at age 14 had significantly improved since 2003, to seventh place; and that England was the most consistently high-achieving European country overall at ages 10 and 14 and in both subjects. We are now determined to build on this progress to raise standards for all.

- 4.5 Schools are at the heart of our Children's Plan ambition: to make this the best place in the world to grow up. The Children's Plan is designed to put children and families at the heart of everything we do as a government. As part of this, schools must be able to rely on the other services that support children and families: health services, youth services, housing and many others. This is why we are strengthening Children's Trusts and giving schools a stronger voice within them. While this chapter focuses on schools, our approach to "Strengthening family life" and "Supporting communities to support individuals" are set out in later chapters.

Raising standards and narrowing gaps

- 4.6 The Government's approach has always been to deliver both excellence and equity: investing in raising school standards for all, but at the same time targeting appropriate resources on areas and schools which need extra help. This is why our academies programme has focused significant new resources in areas where standards have been too low. These new schools are delivering better results than their predecessors, and yet serve a substantially more disadvantaged intake than the average.
- 4.7 Our National Challenge programme is directing £400 million of new resources to support secondary schools with the lowest GCSE results, so that in all schools at least 30% of the pupils achieve more than five good GCSEs, including English and mathematics by 2011. Through the City Challenges programme we have extended to all schools in the Black Country and Greater Manchester the lessons learned in London, which have in recent years raised attainment in the capital by double the rate for the rest of the country. We have trained more than 200 National Leaders of Education and 400 Local Leaders of Education to provide additional leadership and support to schools in difficulty. Finally our Coasting Schools strategy will target schools which appear to be achieving acceptable exam results, but where pupils are not making the progress they should.
- 4.8 If we are to deliver a truly fair and excellent system, we must go further in tackling the longstanding attainment gaps which exist between children from different backgrounds. The attainment gap by poverty is substantial, and it opens up very early. It is strongly evident by the age of five (which is why in chapter 3 we focus on the early years). It narrows only slightly in primary school, and widens again after age 11. For example, the chances of a child eligible for free school meals – roughly the poorest 15% by family income – getting good school qualifications by age 16 are less than one-third of those for better-off classmates. Recent trends are encouraging (for example the gap for 11-year-olds has narrowed by 3 percentage points since 2003), but it remains too large. The gaps for pupils having special needs and disabilities are also too large, and to address this we will begin a new project in 2009, backed by £31 million of funding, to demonstrate best practice in improving outcomes for such pupils and help schools rethink their approach towards and expectations of them.
- ### Twenty-first Century Schools: engaging with parents and the community
- 4.9 These gaps are not mainly caused by the education system itself, which goes a long way to reduce them. They arise principally from what happens outside school, and before a child reaches school. They reflect a variety of factors including the aspirations and support of parents, of social peers and local communities. Other chapters of this White Paper address

many of these factors, from reducing poverty to ensuring that all parents are able to meet their responsibilities through interventions such as Family Intervention Projects.

- 4.10 But schools themselves need increasingly to consider how they can build on good practice and influence what happens outside the classroom. In the Children's Plan One Year On document we announced how we will place parental engagement at the heart of the education system by boosting teachers' skills in working with parents, building parental engagement into school improvement, and consulting on ways to make sure schools are accountable for how well they work with parents.
- 4.11 As we develop our vision of the 21st Century School, we will look to schools to go even further in: encouraging parents to raise their aspirations and become more involved with their children's learning; changing community perceptions of the value of education; and becoming a hub of their local community and both contributing towards and benefiting from locally-delivered family services through a strengthened role within the Children's Trust.
- 4.12 We have committed substantial sums of money to provide extended services to disadvantaged families. A large-scale pathfinder project is operating in 400 schools, organised in 36 clusters across 18 local authorities. They receive £300 per highly disadvantaged child to deliver life-changing services for those at greatest risk. The funding

will expand next year to £40 million, and £217 million in the final year.

- 4.13 More details on the role of communities can be found in chapter 8.

Personalising learning

- 4.14 The solution in education is to move even further towards personalised learning and away from a one-size-fits-all approach. Personalising learning means meeting the individual needs of each child, regardless of social class or family income. Recognising that every child is different and has unique needs and abilities is something which benefits all pupils. Successful schools are increasingly tailoring their curriculum and teaching methods to individual pupil needs, and supporting the progress of each child in different subjects by tracking their progress, reporting regularly to parents, and ensuring that each pupil gets the support they need to take the next step forward. From 2010 each child in secondary school will have a personal tutor, someone who knows them well, checks progress and responds quickly if any problems emerge. As we roll out extended schools, the opportunities for all pupils to develop a particular skill, from musical to sporting, have never been greater.
- 4.15 Though personalisation is for all pupils, it works particularly well for those at risk of falling behind. That is why we have introduced successful targeted intervention programmes for those in the bottom 5%, such as Every Child a Reader/Writer, and now Every Child Counts, which provide

intensive one-to-one tuition, with a teacher sitting down with the child for half an hour a day. The results have been striking – 8 out of 10 children supported by this programme catch up with their peers within 20 weeks. From 2010, 30,000 six- and seven-year-olds will benefit from this support annually.

- 4.16 Later in primary school, and for those making the transition into secondary school, we have gone further than catch-up for the bottom 5%. We will make one-to-one tuition an entitlement from 2010/11 for every child in Key Stage 2 who has already fallen behind, thus ensuring that every child leaves primary school ready for secondary education. The results from the pilots have been impressive: nearly every headteacher surveyed believes that it has contributed to increased progress in their school, and has helped parents to understand much better the power of focusing on their own child's individual strengths and weaknesses. From September this year we will invest £1.6 billion nationally in personalisation including one-to-one tuition; and by 2010 this will support up to 300,000 pupils a year in English and a further 300,000 in mathematics.
- 4.17 Personalisation is just as relevant for older age-groups. One example is the additional mentoring and other support for gifted and talented pupils who come from disadvantaged families, enabling them to compete for places at the most selective universities and enter challenging careers. Each academic year we are

supporting a further cohort of up to 1,500 students in Year 10, as we progressively extend support through Years 10-13. Every registered student benefits from a tailored programme with access to a core programme of Progression Academies (two days per term across the full four year cycle) and receives through their school or college an annual bursary of £400 to meet the cost of these and other out-of-hours learning opportunities. In chapter 5 we set out what more we will do to identify and support pupils from low income backgrounds to benefit from higher education.

Ensuring a challenging and relevant curriculum

- 4.18 Personalising learning includes introducing flexibility into what is taught. The curriculum must focus on the basics – reading, writing, mathematics and increasingly, ICT skills which everyone needs to get on in life – but it also needs to be relevant and engaging for all pupils. That is why our curriculum reforms will stretch, engage and, crucially, provide more tailored learning opportunities for every child. In addition, we have introduced Diplomas – new qualifications for 14 to 19-year-olds which offer a mix of theoretical and practical learning. For the first time, young people will now face a coherent set of choices from 14 onwards of GCSEs, Diplomas, A-Levels and Apprenticeships. They are also able to take advantage of new opportunities such as the Find Your Talent programme, and the PE and Sport Strategy, which give all young people the opportunity to participate

Case study

Amber Amey was one pupil who benefited from this kind of support. In 2007, she got eight GCSEs, including two Bs, and is now doing an NVQ Level 2 in Business Administration, as well as working full-time.

But without the intervention of a teacher at a critical point, Amber would be in a very different position. “Mr Avoth noticed my grades were slipping because I wasn’t doing my coursework. He explained to me that if I didn’t do my coursework to a good standard I would get Ds and Es and below. He thought I was capable of much more than I was attaining at the time. He arranged for me to do extra classes to finish my coursework and I got Bs and Cs in English, mathematics and IT.”

Grey Court School in Ham, which Amber attended, had recognised that it had a number of high-calibre candidates with the potential to achieve good GCSE results. But some of them, including Amber, were not achieving as much as they could.

Amber was one of 40 students placed into after-school motivational classes in groups of no more than six. Teachers focused on raising their expectations and increasing their motivation, both after school and in the normal lessons. It was an approach that was part of the City Challenges programme to improve success rates at London schools, and is now being adopted as part of the National Challenge.

“I don’t know exactly what the teacher did,” says Valerie Jones, Amber’s grandmother, “but having someone to take you aside and say, ‘You’ve got it’ made a big difference and meant she got that little extra out of herself. Passing made a big difference to her. It really increased her confidence and made her realise that if she worked at it, she could fulfil her potential.”

in cultural and creative activities and sport.

- 4.19 In Wales, early years education is being transformed through the introduction of the Foundation Phase, an initiative in which children learn through experience and play, rather than formal classroom based lessons. It is being rolled out for three- to four-year-olds in this academic year and

over the next three years for all three- to seven-year-olds. In secondary school, the 14–19 Learning Pathways and Extending Entitlement policies ensure that every young person can find the right pathway through education. This is supported by the Welsh Baccalaureate which adds breath to learning, providing the skills, attitudes and knowledge needed in Higher Education and employment.

4.20 The Welsh Assembly Government made a commitment in *The Learning Country: Vision into Action*, published in October 2006, to improve learning settings. A key element in delivering this commitment is the School Effectiveness Framework (launched in February 2008) which will improve educational experiences and life-chances for all children and young people. This will be done by improving on best performance and narrowing the gaps between high-performing schools and schools that require more support. This is complemented by continuous work to raise literacy and numeracy performance in Wales. Key to success in narrowing the disadvantage gap is to join up the child's learning experiences in the classroom, during the rest of the school day, and at home. More details about the home learning environment are contained in the "Strengthening family life" chapter.

Developing a world-class teaching profession

4.21 The professionalism of the school workforce is the key to what happens within schools- a pupil taught by one of the most effective teachers will typically learn at twice the speed of one taught by one of the least effective. We need to maintain a relentless focus on improving teaching and learning in all schools, and to continue to invest in the best quality school leaders and the whole workforce. Significant improvements have been achieved since 1997, and we are now taking the next steps to making teaching a master's

degree level profession through the creation of a Masters in Teaching and Learning, but we have more to do to deliver the ambitious commitments of the Children's Plan. Our focus will be on getting even more excellent applicants, selecting the best of them, developing them throughout their career, and encouraging them to work where the needs are greatest.

4.22 The number and quality of applicants into teaching has increased significantly since 1997, and in the current economic climate teaching has become even more attractive. Enquiries to the Training and Development Agency for Schools (TDA) about teaching in shortage subjects have increased by 23% on the same period last year, with enquiries about maths up 41%. Since 2003 *Teach First* has also recruited over 1000 top graduates to teach in the most challenging urban secondary schools, and will continue to expand. We must continue to target and attract the very best candidates. Building on the success of the Teach First approach, TDA will pilot a national model of direct campus recruitment to identify and attract top graduates into teaching.

4.23 Teaching is now also a top choice for people wishing to change career- nearly one-third of all entrants into teacher training are over 30. The new Transition to Teaching programme already has some 130 employers committed to encouraging their experienced staff in science, IT or mathematics to consider teaching as a career. Mature entrants often prefer an employment-based route

but the current scheme is little known and complex to access. TDA will bring together all Graduate Teacher Programme places under a single gateway, linking applicants to providers and schools, and market this as an alternative route into teaching. We have asked the National College for School Leadership (NCSL) to develop a “fast stream” for experienced career changers aspiring to school leadership to enter the profession. We will also explore the possibility of shorter-term secondments into teaching.

- 4.24 Programmes like *Teach First* and world-class education systems such as that in Finland, as well as some initial teacher training providers in England and Wales, use a wide range of tools to identify the best applicants, looking for both academic and wider skills such as empathy, communication and resilience. TDA will design a diagnostic tool to systematically screen applicants for this wider set of skills, and pilot it with a range of Initial Teacher Training providers, for possible national roll-out to all providers.
- 4.25 We have revised the professional standards for teachers and reformed performance management to enable the entire school workforce to develop their own capabilities. NCSL have delivered a designed National Professional Qualification for Headship to ensure that head teachers have the knowledge, skills and capacities to lead in the 21st century. We will work with NCSL and TDA to develop a CPD approach; this will increasingly be delivered

through groups of schools working collaboratively, and consider a greater role for Training Schools. We will explore with our Social Partners options for linking together an individual’s possible entitlement to CPD with a “licence to teach”, on the lines of other high-status professions with a requirement to maintain high-level professional skills, and we are working with Social Partners and the General Teaching Council for England to address the performance of teachers who have the greatest difficulty in carrying out their role effectively, including helping them leave the profession if that is appropriate.

The most effective teachers in the most challenging schools

- 4.26 If we are to succeed in narrowing the gaps, the children with the most additional needs must be taught by the most effective professionals. But teachers can be deterred by the real or perceived challenges of working in schools with high numbers of disadvantaged children. Such schools face higher staff turnover, greater recruitment problems (particularly in mathematics and science), and higher numbers of temporary staff. We need to do more to ensure that such schools can recruit and retain the most effective teachers.
- 4.27 We will introduce a new programme that encourages more of the most effective teachers to work in the most challenging secondary schools. National Challenge schools and secondary schools where 30% or more of pupils are eligible for Free

School Meals (FSM), as long as the quality of leadership is good, will be able to opt in to a new scheme and receive additional funding that they can use with their own resources to support them in offering a package of incentives to their staff.

- 4.28 To encourage more of the most effective teachers to apply to challenging schools, we will guarantee that from September 2009 all eligible schools will have access to a package of support for new appointments, including:
- a “golden handcuff” of £10,000 payable in return for three years’ service in a single participating school;
 - for Newly-Qualified Teachers, and new Heads of Department from 2010-11, eligibility to access the new Masters in Teaching and Learning;
 - and access to a network of teachers from other participating schools to share effective practice;
- 4.29 To help retain the most effective teachers already in these schools, we will offer, subject to applicants meeting the relevant professional standards, the opportunity to apply for one of two new Excellent Teacher or Advanced Skills Teacher positions in each participating school, to strengthen pedagogic leadership and excellent classroom practice, and boost capacity for coaching and mentoring. These positions offer an opportunity for classroom teachers to get the recognition and career enhancement they deserve, without having to leave the classroom. We will also offer a bespoke school-

based course of CPD to support the whole school workforce in meeting the challenges of a school with high numbers of disadvantaged pupils.

- 4.30 This package could reach more than 500 schools and up to 6,000 teachers per year. We will work with the School Teachers’ Review Body and Social Partners to ensure that this package is taken up by schools, works effectively to attract more of the best teachers, represents good value for money, and to ensure that we set in place the right long-term total reward package for teachers who choose to work in the most challenging schools. Other possible incentives, subject to resources, could include sabbaticals, secondments, career development advice, and specific local incentives such as housing and travel.

Raising visibility, accountability, and funding

- 4.31 Alongside these improvements in the workforce, we also need to make sure that schools are more clearly accountable for their contribution to excellence *and* equity. We have up until now tended to focus less on attainment gaps than on overall attainment when we measure schools’ performance. To raise visibility and accountability, from 2009 we will do five things.
- We will consult on a new school report card, to set out clear and simple information on how schools are raising standards, improving, and playing their role in supporting the wider development and wellbeing of children including the most disadvantaged.

- As agreed following consultation in October 2008 local authorities, through the national indicators, will set statutory targets for improving performance of pupils eligible for FSM, within a streamlined and greatly reduced total number of targets focused on significantly underperforming pupil groups.
- We will ensure that variances in attainment at school level rise up the agenda within schools, becoming a standard feature of every discussion between a School Improvement Partner and headteacher; an element considered in each Ofsted inspection; and a key item in the school report card.
- We will disseminate the lessons of *The Extra Mile* project to raise the aspirations of children in schools with disadvantaged intakes, and extend the project to more secondary schools and also to primary ones.
- We will produce a guidance and best practice document for schools and delivery partners setting out how through practical measures we can further narrow the gap in school results.

4.32 To deliver these ambitions, we need to ensure that schools and local authorities have the right funding, delivered in the right way to meet differential costs. We are conducting a full review of the school funding system, which currently provides £35 billion per annum through direct grants to local authorities and schools in order to ensure that it fully reflects and supports schools in meeting

the needs of disadvantaged and vulnerable pupils. We will implement any changes from 2011.

Summary

4.33 Through this well co-ordinated programme of action, we aim by 2011 – and even more by 2020 – not only to continue raising standards for all, but also to break the link between disadvantage and achievement. This is central to our Children’s Plan vision to make this the best country in the world in which a child can grow up.

5. Pathways for all



“What clinched the Apprenticeship for me was the fact that I could go and begin a career, learning from people who are experts in their own right. I felt I could get involved in real work while applying my favourite subjects, like physics and maths, and continuing to learn.” Rachael Hoyle

The transition between education and work can be a difficult time for young people of all backgrounds. The choices made during this period have a major influence on future job prospects and life chances. Our aim is to ensure that all 16 to 25-year-olds have the same opportunities to increase their skills and so achieve their potential.

In this chapter, we explain how we are building on our recent reforms in both further and higher education to increase opportunities and ensure fair access to education and training. We want to ensure that the biggest influences on the success of young people are their talent and aspirations – not their background. That way, more young people can benefit fully from the high-quality educational opportunities available to them.

From education to employment: a critical transition

- 5.1 The decisions a young person makes between the ages of 16 and 25 – the first few years after leaving compulsory education – have a huge impact on their future prospects and, in particular, on their ability to fulfil their potential. This is a key area if we are to improve social mobility and ensure that our businesses and economy have the skilled workforce we will need in the future.
- 5.2 Higher skill levels lead to better job prospects. Despite progress, however, there remains a clear link between a young person’s background and whether they get the skills they need to do well in work. Evidence shows that young people from lower-income backgrounds are more likely to be not in education, employment or training (NEET) at age 16, and less likely to go to university, than those from wealthier backgrounds.¹

¹ Department for Children, Schools and Families (DCSF), *Youth Cohort Study, Cohort 12, 2007*

- 5.3 Some of this reflects the gaps in educational attainment between young people from different backgrounds that first emerge during the early years and continue to grow through school. But there is also strong evidence that even among those with similar attainment up to age 16, new gaps can still emerge during this transition phase. Young people from low-income groups who achieve five or more GCSEs at grades A* to C are less likely to get the equivalent of two or more A-levels than their better-off counterparts with the same grades.² Young people from low-income backgrounds with over 30 Universities and Colleges Admissions Services (UCAS) points have lower aspirations for themselves and are less likely to apply to university than their wealthier peers.³

Transforming transitions: the Government's approach

- 5.4 The Children's Plan set our ambition for all young people to participate in learning to 18. We are committed to providing the opportunities, guidance, support and incentives to enable 16 to 25-year-olds to make a successful transition from education into work, regardless of their background. We have identified this age group because:
- this is the best time for an individual to **get the skills they need to enter the labour market and gain sustainable employment**. We will work to ensure that all young people have a fair chance to acquire these

skills by the age of 25, whether in the classroom or in the workplace;

- we want to **ensure that there is fair access for all young people to all forms of education and pathways to work**. We are improving the information, advice and guidance young people get, including addressing preconceptions among young people, those advising them, and the institutions they attend, so they can make the best choices for themselves; and
- **any prolonged period outside education or the labour market is particularly damaging to a young person's life chances**. We are strongly committed to helping young people move off benefits wherever possible and stay off, by encouraging and enabling them to take steps to improve their future employability and progress in work.

- 5.5 Over the last decade, we have made significant progress in meeting these three goals, helping people fulfil their potential and meeting the needs of our economy. We are committed to building on and accelerating this progress.

Raising skills

- 5.6 To raise skills, we have acted to increase participation in learning and improve the options available to young people, with major changes for both under-18s and over-18s.
- 5.7 The overall impact has been clear, as both participation in learning and overall skill levels have increased:

² DCSF, *Youth Cohort Study, Cohort 12, 2007*

³ See Cabinet Office, *Getting on, getting ahead*, for a summary of the evidence

- The proportion of young people aged 16 to 18 taking part in education or training rose from 76.8% in 1997 to 78.7% in 2007, the highest rate of participation ever;⁴
- In 2008, over 94% of 16-year-olds said that they wanted to remain in learning and received an offer under the September Guarantee, up from 91% in 2007;⁵

The September Guarantee is the offer of a suitable place in learning for all young people completing compulsory education. It was extended to 17-year-olds in 2008

- In 2007, 73.9% of 19-year-olds had achieved Level 2 qualifications and 48% had achieved Level 3, higher than ever – up from 66.4% and 42% in 2004 for Levels 2 and 3 respectively.

A Level 2 is the equivalent to five GCSE passes and a Level 3 is the equivalent of two A level passes.

- Apprenticeship completion rates have also reached an all-time high of 63%.⁶

Raising participation and improving choices for under-18s

- 5.8 In recognition of the importance that every young person has skills for adult life and further study as underlined in the Childrens Plan, we have taken the historic step of raising the age for leaving full-time education for the first time since 1972 when it

was lifted to 16. From 2013 all young people under the age of 17 will be required to participate in education and training, and this will be extended to 18 from 2015.

- 5.9 In 2007 we put in place, a new September Guarantee to make sure that young people have access to the right type of provision to meet their needs. It offers every young person leaving compulsory education a suitable learning place to continue in education or training that reflects their aspirations and attainment. The September Guarantee helps make sure that every young person's learning needs are taken into account and that the right provision is available in every area to meet demand. We extended the September Guarantee in 2008 to 17-year-olds to give additional support to those who have already left learning but now want to continue their education. We have also:
- set an ambition that, by the end of the next decade, one in five young people will be able to take up an Apprenticeship place;
 - raised the minimum rate of pay for apprentices from £80 to £95 a week, effective from September 2009; and
 - introduced the Education Maintenance Allowance (EMA) for 16 to 19-year-olds, to provide financial incentives to participate in education or training. This has shown positive impacts on both participation and attainment, particularly among young people from low-income backgrounds.

⁴ Statistical First Release 13/2008, published 19 June 2008

⁵ DCSF, Connexions data analysis, November 2008 www.dcsf.gov.uk/pns/DisplayPN.cgi?pn_id=2008_0275

⁶ Statistical First Release 04/2008, published 26 February 2008

5.10 Young people now also have higher-quality and more varied options for what and how they study, moving beyond the old assumptions that learning must take place in the classroom and that only some qualifications really count. We are developing new qualifications while retaining and simplifying the best existing ones. The result will be that young people can choose between four different national qualification routes:

- General Qualifications, e.g. GCSEs and A-levels;
- Apprenticeships – which have been radically improved and expanded;
- Diplomas – a new qualification based on a mixture of theoretical and applied learning focused on a broad industrial sector. The first Diplomas are being taught this year. By 2011 there will be 17 lines, in subjects such as engineering, retail, business, science or languages, and from 2013 each young person will have access to all of them as an entitlement;
- Foundation Learning Tier (FLT) progression pathways – designed to provide clear routes and progression pathways at Entry Level and Level 1. Pilots are taking place this year and we will roll out the FLT nationally from 2010.

5.11 Having rescued Apprenticeships and got them well on the way to their rightful place as a mainstream option for young people, it is now our intention to go further. We are creating an extra 35,000 Apprenticeship places across the public and private sector over the coming year to help individuals and businesses through the downturn. We are expanding

Apprenticeship places and are legislating so that all suitably qualified young people will have a right to an apprenticeship by 2013. By this stage, there will also be an equivalent commitment to a Diploma place for all learners that want one.

5.12 We also want to ensure that there are clear progression routes, for those who want them, from the FLT, Young Apprenticeships (for 14 to 16-year-olds at school) and Diplomas into Apprenticeships, and then from Apprenticeships into further and higher education. We will work with the UCAS to implement our commitment to incorporate Apprenticeship frameworks into the UCAS points system by 2010, and review how we can expand and promote such pathways to higher education.

Raising participation and improving choices for 19 to 25-year-olds

5.13 We have taken a similar approach to boosting skills for over-18s – increasing participation and improving the available options. To increase participation by young people aged 19 to 25, we have:

- increased the number of higher education students by 287,000 since 1997;
- through our new “university challenge,” we are committing or opening new university centres or campuses in 20 towns across the country in the next six years;
- invested in aim higher and other schemes to raise aspirations and now over 50% of young people from all social classes say they aspire to go to university;

Case study: From apprentice to employed graduate

When Rachael Hoyle approached school leaving age, she was unsure about what career she wanted and what route to take. But the more she learned about Apprenticeships, the clearer things became. “I could go and begin a career, learning from people who are experts in their own right. I felt I could get involved in real work while applying my favourite subjects, like physics and maths, and continuing to learn.”

Rachael gained an Apprenticeship place with BAE Systems in one of its aircraft engineering divisions. There her tasks varied from fixing parts and crawling around the aircraft in overalls, to analysing data and liaising with shop-floor and aircraft designers to answer technical questions. Her commitment and enthusiasm were immediately apparent, and she was soon taking on more responsibilities, including running a crucial package of work that helped secure a contractual milestone for the company.

David Brooks, Technician Training Coordinator for BAE Systems, was particularly impressed: “She encouraged individuals engaged on the project to work collectively and her enthusiasm has had an infectious effect on staff morale, developing a successful, close-knit team.”

Having achieved her Advanced Apprenticeship, Rachael has now begun a full-time role in the structural engineering department at BAE Systems. She is also working towards a Bachelor of Engineering degree at Manchester Metropolitan University.

- invested in expanding participation in higher education, by introducing a generous system of maintenance grants so that two-thirds of all students get a full or partial grant;
- increased spending on further education by more than 50% over the last 10 years, from £3.1 billion in 1997/98 to £6.1 billion in 2007/08; and
- introduced the Adult Learning Grant to support those aged 19 and over who want to study. This has helped over 60,000 young people.

The Adult Learning Grant is aimed at adults on low incomes on a full-time course and you can use it to study for a wide range of qualifications, including BTECs, NVQs, GCSEs and A-levels. If the course leads to a first full Level 2, or first full Level 3 qualification then the adult could get up to £30 per week during term time. To be eligible the adult must be 19 or over, attending college regularly and studying in England

- 5.14 We have also improved the quality of the learning routes available to over-18s. We have announced plans to spend £1 billion a year by 2011, up from planned investment of £925 million in 2009/10 on on-the-job training through Train to Gain. And in Wales, we have started to trial approaches to create more opportunities in small and medium enterprises (SMEs) through shared Apprenticeship schemes.
- 5.15 We will extend the successful group training approach of employer-led training associations, in particular to those sectors of the economy that tend not to take Apprentices, such as those that have previously largely recruited graduates or that have a very high proportion of SMEs.
- 5.16 Alongside this, we will create up to 10 new Apprenticeship training associations across the country by the end of 2009, with the potential to deliver up to 15,000 Apprenticeship places by 2014/15. This will develop new and innovative approaches drawing on the Australian model, where apprentices are employed by a recruitment agency and hired out to host businesses.
- 5.17 We will also increase the number of Apprenticeships on offer in the public sector so they offer equivalent opportunities to those already on offer in the private sector. Government's substantial public procurement programme puts us in a unique position to promote employer investment in skills training and Apprenticeships. We are ensuring that government considers skills

issues and promotes skills training opportunities for people working on government contracts through public procurement. The PBR announced that for construction projects, government departments and their agencies will now consider, case-by-case, making it a requirement that successful contractors have Apprentices as an identified proportion of their workforce.

Reviewing barriers to young peoples participation

- 5.18 The historic step we have taken in raising the participation age to 18 by 2015 means that more young people than ever before will be participating in education and training. We need to ensure that the system of financial support for 16-18 year olds will continue to deliver our objectives of supporting fair access to learning, build on the success of EMA and helping all young people progress. A well designed system will deliver these objectives while ensuring simplicity, transparency and value for money.
- 5.19 We will work across government departments to carry out a review of the way in which financial support for 16 to 18 year olds is made available. This will build on analysis of the value for money and effectiveness of our current learner support schemes. We will also consider how benefits for 16 to 18 year olds can best enable young people to participate in education and jobs with training.
- 5.20 To help us to design the best system, we will commission research to

look at barriers to young people's participation. The research will be published by the end of 2009 and the results of the review of financial support will be published in 2010, with an interim report in summer 2009. The results of the review will inform our approach for future spending reviews.

5.21 Support for education and training is not just about financial help. Young people with learning disabilities can face a particularly difficult transition from education to work. To better support students with learning disabilities, we will:

- explicitly encourage supported employment and work experience within the new FLT, including the role of job coaches; and
- extend the Getting a Life programme to all nine regions by adding two more sites, which will support more young people into work.

Ensuring fair access

5.22 Whatever their talents, young people need to have the support and advice to ensure that they can make the most of the opportunities available to them. To ensure that all young people have fair access to the available pathways, we have:

- introduced quality standards for information, advice and guidance for young people up to the age of 19, and legislated to ensure that schools provide impartial careers advice;
- set out plans for a new adult advancement and careers service for those aged 19 and over, which will

provide an all-embracing source of information and advice about skills and careers;

- through the Aimhigher programme, encouraged more young people from low-income backgrounds with the potential to benefit from higher education to do so, and targeted socially excluded learners in Wales through the higher education Reaching Higher strategy; and
- encouraged universities to establish long-term structural links with schools in order to raise standards across the board, raise aspirations of pupils, parents and teachers, and help pupils apply to university.

5.23 These changes have had a substantial impact. More young people from lower-income backgrounds are entering higher education. Among 18-20 year-olds the gap in higher education participation rates between those from higher and lower socio-economic classes reduced by 6 percentage points between 2002/03 and 2006/07.

Widening participation and fair access

5.24 Talent and hard work should determine your success in life. Despite the proportion of young entrants to higher education from lower-income backgrounds increasing steadily, these young people still face additional barriers to going into higher education. For example, of those who come in the top 20% of test results at age 11, young people from low-income backgrounds are around half as likely to attend university as those who have not.

Case study: the importance of establishing good links between universities and schools

Morpeth is a successful school in a deprived London borough that uses information, advice and guidance to motivate and gain pupils' 'buy in' to want to learn – encouraging them to take responsibility for their own education.

Providing advice and guidance, in particular, on higher education is seen as an important part of the school's offer to pupils. A number of initiatives have been established for pupils to gain an understanding of what university can offer and what it is like to attend university. The schools offers a structured programme of:

Mentoring – former students who have graduated go back to mentor pupils during key stage four (KS4) to inform them of what university can offer and provide informal advice on which subjects to study for particular degrees and careers.

Parental visits – the school recognises that parents are a big influence in pupils' decision about whether university is for them and therefore arranges special visits for parents of pupils in KS4 to provide information about opportunities offered to students and financial support. This enables parents, many of whom have not been to university, to advise their children and feel more confidence about their children going to university.

Day visits – Morpeth offer visits to all pupils to Queen Mary University, which is located near to the school. Pupils get the opportunity to experience the sheer scale of the facilities that the university offers, which includes using the state of the art facilities.

Residential trips – Morpeth School has organised residential trips to universities to enable them to get a taste of university life (for example, staying in the hall of residence). Pupils have been extremely motivated by this. Of a group of 35 pupils who started on one of the programmes in Year 9, 25 continued to A level/Level 3 courses and 21 of these went on to university – all pupils came from families with no history of higher education.

5.25 Young people whose families have experience of higher education often receive informal support and guidance to encourage them to aspire to higher education and to apply. For young people who do not have

this advantage, they rely on support from their school and from targetted programmes such as Aimhigher.

5.26 We will identify young people with the potential to achieve at university from low-income backgrounds early,

Case study: the importance of widening access to higher education

As a teenager, Kelly-Anne Ferguson dreamed of a career in forensic science. But when she left home at age 15, living off her income support and with the council paying her rent, it seemed a distant dream. Doing her GCSEs was difficult and she didn't get the grades she had hoped for. Nonetheless, she still managed to go on to study A-levels at the sixth form college of her choice.

Her teachers there recognised that, despite Kelly-Anne's financial circumstances, she had exceptional academic talent. They gave her support and praised her hard work and achievements. This inspired Kelly-Anne and even though nobody in her family had been to university before, she decided to apply.

Through her hard work and talent, Kelly-Anne received an offer from Magdalen College, Oxford. Uncertain whether she would fit in at Oxford, Kelly-Anne questioned accepting the offer, but eventually decided to go for it.

Looking back, Kelly-Anne says: "I can't believe that I ever doubted it. The people I've met are some of the nicest people you would wish to meet. During my time at Oxford I have travelled, played lots of different sports, been in societies and had the best time of my life. The opportunities you have to do things at university are amazing, things that you might never consider doing otherwise."

She is now doing a PhD in Chemistry – the next step to the career she has long wanted.

and ensure they receive a package of structured assistance across their time at secondary school. This will be as comprehensive as that often received by young people attending the best schools and colleges with high rates of progression to higher education and will include support to attend the most selective institutions. Our ambition is that every such child should:

- have an early experience of what higher education is like, and later a more sustained one;
- benefit from regular mentoring;
- go to a school with structural links to a university, where teachers are equipped to properly identify and nurture their talent, including the offer of appropriate GCSEs, A-levels and Diplomas;
- get high-quality information, advice and guidance on their choice of subject and university; and
- for those with the most potential, be sought out and invited to a summer school or similar experience of higher education.

5.27 We are working systematically to make this ambition a reality by 2012, using a combination of new and existing policies. This will require action throughout the school system and in higher education, in line with the report from the National Council for Educational Excellence (NCEE),⁷ whose recommendations the Government has accepted and is committed to implementing.

The NCEE was established by the Prime Minister in June 2007 to act as a sounding board about strategy and measures to deliver a world class education system. It brings together influential business leaders and vice chancellors with leaders from early years providers, schools and colleges.

5.28 We will work with schools and teachers, who are key to delivering this commitment on the ground, to make sure that no child falls through the gaps. Widening participation activities of the type described above are currently funded from a wide variety of sources, including Aimhigher, the HEFCE widening participation allocation, universities own resources, as well as resources that flow through local authorities, schools and colleges. In implementing the guarantee we will ensure partners work together to look at the most effective use of those existing funds. And we will continue to target existing resources within Aimhigher, Aimhigher Associates and other funds so that more pupils from low-income

backgrounds receive the level of support set out above. And to make sure that this targeting is successful, we will guarantee it ensures that those pupils from low-income backgrounds who are roughly in the top 50% of performers, wherever they are located, have access to a comprehensive package of assistance to attend university.

5.29 We will also increase outreach work to identify the most academically gifted young people from low-income backgrounds. We are currently working with a group of 11 research-intensive universities who will pilot ways to identify talented students from groups currently under-represented in higher education. Other universities are in discussion to join this group and we expect all participating universities to be running pilots from this year, with a new scheme beginning in 2012. When this scheme is up and running, we expect around 10,000 pupils a year to benefit from opportunities offered by 15-20 research-intensive universities. Participating universities will also recognise each other's compact schemes, which will broaden the options for these young people. The Director of Office for Fair Access (OFFA) has stated that OFFA will look positively on universities that decide to invest more of their access and outreach funding, including any bursary underspend, to reach out further into schools and communities, and raise pupils' aspirations.

⁷ National Council for Educational Excellence: Recommends, <http://www.dcsf.gov.uk/ncee/docs/7898-DCSF-NatCouncilEd.pdf>

- 5.30 By accepting recommendations from the NCEE we will ensure that the information, advice and guidance about higher education provided to pupils by schools is significantly improved. Over the next year, we will work with schools and local authorities to put in place guidelines that will support the delivery of their respective statutory duties for information, advice and guidance.
- 5.31 For their part, from this year all higher education institutions will be asked to produce widening participation strategic assessments, which they will submit to the Higher Education Funding Council for England (HEFCE). These assessments will set out the broad level of resources that institutions will commit to widening participation, including their outreach work with schools. Presentation of the strategic assessment will be a condition of the continued receipt of the HEFCE widening participation allocation.
- 5.32 In addition to this, we will provide £1 million for some National Challenge schools to fund a higher education experience at Key Stage 3 to raise young people's aspirations to attend higher education. This experience could include visits to higher education institutions, meeting lecturers and students, and inviting former pupil graduates to mentor current pupils. National Challenge advisers will judge which schools would particularly benefit from this and will determine what will work best in each case. We will also evaluate the impact of this experience and, based on this, consider whether to build on it further.
- Reducing inactivity**
- 5.33 In November 2007, we published our revised NEET strategy for 16- to 18-year-olds.⁸ This set out our expectations of local authorities in five key areas: early intervention to prevent young people from becoming NEET; careful tracking; high-quality information, advice and guidance; ensuring that there is a full range of provision to meet demand; and focusing on rights and responsibilities.
- 5.34 Young people aged 18 and over have already benefited from the radical reforms we have made to the welfare system to ensure that benefit recipients have not only the right support, but also clear incentives to move off benefits or out of inactivity into education, training or work. Since 1997:
- over 1.3 million young people have benefited from the New Deal for Young People;⁹
 - we have improved incentives to work, by providing greater support through the tax credit system, substantially increasing childcare provision, and introducing the minimum wage; and
 - we have transformed the delivery of employment support by creating Jobcentre Plus.

⁸ DCSF, *Reducing the number of young people not in education, employment or training*, 2007

⁹ DCSF, *Participation in Education, Training and Employment by 16–18 Year Olds in England*, June 2008

- 5.35 These changes have also helped young people stay off benefits. Since 1997:
- there are 400,000 more young people aged 18–24 in work;¹⁰
 - youth claimant unemployment has fallen by 80,000, and long-term (over one year) youth claimant unemployment has fallen by more than 90%;¹¹ and
 - statistics published in June 2008 show a 1 percentage point reduction in the NEET rate between the end of 2006 and 2007 to 9.4% – the equivalent of 20,000 fewer young people NEET.¹²
- 5.36 Clearly, it will be challenging to maintain this progress under the increased pressure of the global downturn. However, we will continue to strive to help young people find work and develop their skills.
- 5.37 Through Activity Agreements, we are piloting innovative ways to support young people in the most challenging circumstances to re-engage in education, employment or training. Each Activity Agreement between a young person and their Connexions Personal Adviser identifies the specific steps that they should take to return to participation, alongside the additional support they will receive. The young person is given a weekly allowance in return for fulfilling their agreement, putting in place a clear incentive to engage.
- 5.38 The evaluation of the first phase of Activity Agreements¹³ highlighted how

this approach can make a difference. It showed that 65% of young people who completed an Activity Agreement moved into education, training or employment within 13 weeks. The evaluation also highlighted some areas for further development, particularly around engaging the very hardest to reach, and we are therefore extending the existing pilots to April 2010.

Transforming transitions

- 5.39 From welfare reform to the revolution in post-16 training opportunities and new funding, the Government has over the past decade taken far-reaching steps to help young people make the transition from compulsory schooling through further or higher education and into work.
- 5.40 Our investments have paid real dividends, as this chapter has shown: raising standards, raising participation and raising skill levels.
- 5.41 The next steps we are taking not only extend this approach but also target it. We want to ensure that the opportunities available during this transition period are available to all young people, regardless of their background.
- 5.42 That way, we can create the environment for young people to gain the better jobs that the global economy is generating – and make a significant stride towards the goal of increased social mobility.

10 Data for the three months ending October 2008 taken from the Labour Force Survey, Office for National Statistics (data are seasonally adjusted)

11 Jobcentre Plus administrative system, November 2008

12 Statistical First Release 04/2008, published February 2008

13 DCSF, Activity Agreement Pilots Evaluation: Synthesis Report Research Information, published November 2008

6. Getting on in work



“Going back to work has totally changed my life; I have some extra money to have a better quality of life and a bit more for my son. But more than that my son is really proud of me and I now help people who were like me.” Anita Page

Over the last few years, we have made upskilling the UK a priority. We have increased support for those on benefits to help them get into work, invested extensively in new training, worked closely with employers to help them to train their staff, and taken steps to integrate employment and skills support. This has transformed the welfare state, led to a significant change in the quality, availability and take-up of lifelong learning opportunities and is beginning to change the skills landscape.

But to take full advantage of the new opportunities in a global economy, we can't afford to miss out on anyone's talents. We believe that whether they go to university or take a vocational route, those who have the desire and ability to study and train throughout their working life should be able to access the support they need in order to raise their skill levels. That's why in this chapter we are introducing new policies to ensure that people's potential to get on in work does not end at their first stab at education. Whether people have been out of the workforce bringing up children, or whether they face other barriers to accessing training and improving their skills, our focus is on removing those barriers and helping them realise their potential.

Getting on in work, getting on in life

- 6.1 The majority of the people who will make up the workforce at the start of the decade after next, are already over 25. If we are to seize the new opportunities afforded by an increasingly global economy and make the most of the potential in our country, it is vital that we also focus

on enabling those who are already of working age to get on in work. That means not only ensuring that there are opportunities for lifelong learning available to those in work, but also supporting those who are currently outside the workforce to develop skills, increase their aspirations and become more valuable to potential employers.

6.2 Those who enter the labour market with low skills have fewer job opportunities and more limited progression prospects. Evidence shows they are also less likely to receive in-work training, further compounding their disadvantage, and more likely to face periods of worklessness.¹ If people are out of work, or trapped in low-paid jobs, it does not just affect them as individuals. Children growing up in low-income households are less likely to achieve their potential through school and further education. They are more likely to suffer from physical and mental ill-health and experience worklessness and poverty themselves as adults.²

6.3 This leads to a clear conclusion: investment in education and learning, to help individuals achieve their potential and the UK achieve its potential, is not just about investing in children and young people. It's equally imperative that government supports adults – especially those who missed out the first time round – to update their skills and advance throughout their working life.

Increasing opportunities for those of working age

6.4 Our approach focuses on:

- supporting a dynamic economy by ensuring there are relevant, high-quality training opportunities available, and a talent pool of skilled professionals from which to draw;

- ensuring everyone has a fair chance to access these learning opportunities – at any time in their lives;

- providing second chances for the most disadvantaged in the labour market, including those in low-paid employment and insecure agency work; and

- especially in the current economic climate, providing enhanced support for those out of work altogether, so they can increase their skills and get back into work as quickly as possible.

Supporting a dynamic economy

6.5 UK businesses have made it clear that investing in skills is a priority to help them compete in a global marketplace. An increase of 10% in employees receiving job-related training is associated with a 6% increase in productivity.³ In the current economic climate, now is precisely the time for businesses to keep investing in the skills and talents of their people. What they need from government, therefore, are the foundations for a training system that ensures they can find the training they need.

6.6 Over the last few years, we have transformed the skills landscape, working with Sector Skills Councils, business groups and individual employers to create learning opportunities that develop relevant skills in a flexible and affordable way. Public investment in the further education system increased by 53%

¹ Labour Force Survey, 2008

² Office for National Statistics, *The health of children and young people*; National Audit Office, *Helping people from workless households into work*, 2007

³ Dearden, Reed and Van Reenan, *The impact of training on productivity and wages: evidence from Briton panel data*, Oxford Bulletin of Economics and Statistics, V68 (4) (2006)

in real terms between 1997/98 and 2007/08. By 2010/11, we will be investing over £1 billion for over a million employees to receive training, through our flagship Train to Gain service, giving even more employers the opportunity to upskill their workforce, for the benefit of both their business and their employees. Latest figures show that since it was launched, 43% of Train to Gain learners reported that they had gained better pay and 30% reported that they had gained a promotion as a result of their learning.⁴

- 6.7 We are also giving employers more opportunities to shape the skills system, so they can better access the flexible training they need for their business. There are now 16 employer-led National Skills Academies in operation or in development, which focus on delivering the skills that are most valuable for their respective sectors. These not only benefit the businesses that send their staff, but also help individuals fulfil their potential by acquiring the qualifications that employers value.
- 6.8 These changes to the training system have led to a major increase in the take-up of opportunities. In 2007, UK companies spent some £38 billion on training – up 16% from 2005.⁵ More importantly, they have also made clear their commitment to future training. Over 9,100 employers have made the Skills Pledge, covering more than five million employees. Similarly in Wales, the Basic Skills Pledge has been expanded to double the target number of employers signing up by 2010.

Increasing the talent pool for every profession

- 6.9 While the barrier of low skills applies across all sectors, there are some obstacles that are more specific to particular types of profession. In certain high-status professions, the chance for individuals to access opportunities can be frustrated by traditional cultures, established recruitment processes and inflexible career pathways. These often longstanding practices and processes can make it hard for people from disadvantaged backgrounds to break into certain sectors, despite having the skills needed to be successful. This is bad for individuals, employers and the country. It narrows the pool of talent that recruiters draw from and in turn makes the economy as a whole less dynamic.
- 6.10 In recent years, the Government and other organisations have worked to address this challenge. Over £4 million, for example, has been invested to support widening access through the Gateways to the Professions programme. Sector-specific reviews, such as the Neuberger Review into access to the legal profession, have also urged – and achieved – important reforms. There remains, however, a long distance to travel.
- 6.11 We will therefore build on the good work to date by establishing, at the request of the Prime Minister, a high-level panel of the major professions. The panel, chaired by Alan Milburn, will work closely with the professions to identify barriers to access, and will

⁴ Learning and Skills Council, *Train to Gain Learner Evaluation*, 2008

⁵ Learning and Skills Council, *National Employer Skills Survey*, 2007

propose concrete actions to address them – from both government and the professions themselves. Taking these actions is a win-win situation: employers benefit from fairer access by ensuring they are able to tap into a wider talent pool, while the new opportunities available to individuals will also help raise overall social mobility.

Ensuring fair access to learning

- 6.12 The creation of this panel focused on fair access to specific professions is a logical extension of our ongoing commitment to ensuring fair access to other opportunities. In particular, we have sought to increase the range of opportunities available for lifelong learning and ensure that these are available to all. For example, we have introduced new rights for individuals to access the training they want and need. These rights in particular address those who may previously have been excluded from further development, whether for financial reasons, because they were unaware of the opportunities available to them or because they were unable to benefit from an employer's support.
- 6.13 For example, we have created a legal right for adults to get training up to a Level 2, a guarantee of free training up to Level 3 for those aged 19-25, and we are in the process of legislating for a legal right for suitably qualified young people to enter Apprenticeships. We have also begun the process of legislation to give 25 million employees the right to ask their employer for time to train.
- 6.14 Lifelong learning should be supported by fair chances, fair funding and fair rules. A young person who goes to university soon after leaving school will typically have significantly more spent on their lifetime learning than one who goes from school to work. We believe that those who do not go to university, but who have the desire and ability to study and train throughout their working life, should also be able to access the support they need in order to raise their skill levels.
- 6.15 Therefore, we need to be even more responsive to individual needs in supporting people to get in and set on in work. We have already committed to developing Skills Accounts which will provide a simpler way for learners to identify the funding they are eligible for to help with fees. But in addition, we want to make it just as simple for learners to identify other sources of funding that could support skills development, such as funding for childcare. We will commission a scoping study to report on the feasibility of moving in this direction through Skills Accounts.
- 6.16 To help people understand the opportunities and support available to them, we are taking forward our plans to launch a new adult advancement and careers service. This will provide information, advice and guidance to people on any issue that is preventing someone from getting on – from their skills, to housing or childcare. We are also clarifying guidance for local

Case study: Getting good advice to get back in work

Since her son was born, Anita Page had been a full-time mum. But when he reached 13, Anita felt she was able to think about returning to work. With little experience and few qualifications, Anita went to see her local Jobcentre Plus adviser, who suggested Anita should think about what she enjoys doing and then see how that could translate into work or training. When Anita mentioned that she found things like keeping bills in order quite satisfying, her adviser suggested administrative work.

However, almost every job as an administrator today needs IT skills and Anita had none. Her Jobcentre Plus adviser therefore helped her find a place on a local training programme, and gave her information on the funding she could get.

Anita achieved Skills for Life qualifications and an NVQ in IT – giving her the platform she needed to get back into work. Better still, she ended up with a job. The staff at Act Ltd, her training provider, were impressed with Anita's commitment, and when a vacancy came up there, they got in touch with her.

Anita now works as an administrator for key skills courses for teaching assistants. She loves the job – not only for the money in her pocket but also because she can help people who were in the same position as her. "I understand a lot of their worries and it's great I can now help them back into work." Best of all, for Anita, is the fact that her son is really proud of her and what she has achieved.

authorities to ensure support for disabled people who seek education and employment opportunities in new local authority areas.

- 6.17 Together, these steps help to make learning more accessible for all. But we recognise that certain groups need additional support to access learning and improve their skills.

Piloting new earned rights for those who make a contribution

- 6.18 One particular group that may need additional support are those who take time out of work to make a contribution to their family or community by caring for an adult or bringing up children. Many are at a disadvantage when they re-enter the labour market, and often find themselves taking jobs below their skill level. For parents, this in turn could then affect the aspirations of their children.

- 6.19 We believe those caring for an adult or child should be a priority for help with training to enable them to return to work. We will therefore trial a back-to-work entitlement of up to £500 for those who have been carers for at least five years, including parents, to reward their contribution and support their return into the labour market.
- 6.20 This additional entitlement, available to help with course fees, will be trialled through Skills Accounts, and will not be means tested or linked to any requirement to take a qualification at a specific level. Prior qualifications at any level will be no bar to receiving the £500 enhancement.
- 6.21 We will ensure that communications are in place to make those receiving carer's allowance and child benefit aware of this entitlement and to refer them to careers advice services for further information and help in determining their eligibility. They will also be able to do this online through a Skills Account. The entitlement will be applied automatically when they enrol on their course. It will be tested and evaluated as part of our ongoing trialling of Skills Accounts during 2009/10.
- 6.22 In the current economic climate, many more people will be looking to update their skills or retrain for a new job. Whether it is those who see an opportunity to start a career in an emerging industry or those who have been made redundant and need to retrain, government needs to do more to enable people to invest in their own future. But this is not just about help now in the downturn. Supporting people to move up the skills ladder and to gain the skills that Britain's future economy will need will also promote increased social mobility.
- 6.23 Career development loans have been available since 1988. They are commercial bank loans supported by the government so that the learner only pays interest once they've finished learning. 255,000 people have benefited and the loans have been used to fund a huge variety of courses at different skill levels – from technical qualifications to postgraduate university study. Many people have already used loans to get on the right track in their career – whether it is an MSc in Environmental Management to help someone become a technical engineer or using loans to help get businesses up and running – for example, studying whilst setting up an acupuncture clinic. But the Government believes loans for training have the potential to play a significantly increased role.
- 6.24 In the next two years we will treble the number of loans available from 15,000 to 45,000 as new Professional and Career Development Loans (PCDLs). In addition to increasing the number of loans available, we will offer more generous terms. As now, loans will be offered interest free while people study. The government will pay the interest during this period. But we will make them more attractive in two ways:
- Firstly, by reducing the headline interest rates; and
 - Secondly, by allowing people to apply for loans of up to £10,000 to

study at colleges, universities and private training providers, an increase from the current limit of £8,000.

- 6.25 We will also proactively promote PCDLs widely to anyone seeking new professional and technical qualifications for whom finance is a barrier. They will be promoted through Jobcentre Plus to appropriate clients who are made redundant. And we will work with unionlearn to agree how Union Learning Representatives can signpost people towards PCDLs as a route to getting better qualifications.
- 6.26 The loans will continue to be provided by three banks – Barclays, Co-operative and RBS. Others have expressed interest in becoming involved and we will continue to work with them in the coming months.

Offering second chances to the most disadvantaged

- 6.27 While the Government's underlying goal is to ensure that there is fair access for all to the learning opportunities available, one of our guiding principles is that no one should be written off. We recognise that there are some groups within the labour market that need additional targeted support to unlock their potential – in particular, these are people who did not manage to fulfil their potential during their school days.
- 6.28 We have already invested extensively in improving basic skills, enabling those who missed out first time round an opportunity to get on, with over 2.25 million people improving their literacy, language and numeracy skills since 2001. This isn't just a
- target. Helping parents to read their children a bedtime story or help with the homework is invaluable.
- #### **Low income families**
- 6.29 Low incomes often reflect low attainment at school. But people on low incomes also traditionally face more limited progression prospects than most other groups in society.⁶ In particular, they are less likely to receive training from an employer. This then affects their children who are more likely to have low aspirations and suffer financial and other disadvantages.
- 6.30 To do more to help working adults on low incomes to progress, we will trial new rights for low-income families on tax credits by raising awareness of their existing entitlements and offering an additional entitlement of up to £500 to those who need support. This will be piloted through the ongoing Skills Account trials in 2009/10. We will also ensure that employers are supported to offer training to this group under Train to Gain. This targeted support will help them take up training both at college and at work, giving them a fairer chance of success in the labour market.
- 6.31 There are currently over 20,000 trained trade union learning representatives (ULRs) who have helped over 600,000 workers back into learning since 1998. We will work with ULRs to support and encourage those low-income individuals that claim tax credits to make the most of the training opportunities and entitlements available to them.

⁶ Cabinet Office, *Getting on, getting ahead*, 2008

This will help ULRs to build on their outstanding track record of reaching out to those groups of workers most disadvantaged in the labour market.

Agency workers

- 6.32 All too often, agency workers miss out on the benefits of permanent employment – in particular additional in-work training. Temporary work provides important benefits to the economy, allowing firms to adjust to fluctuations in demand, and it is important that there is a skilled pool of agency workers to draw from. However, while some agency workers are highly qualified or ‘temp’ out of choice, some are in a vulnerable position in the labour market and would prefer permanent contracts of employment.
- 6.33 To enable these vulnerable agency workers to achieve their potential and access new opportunities, we need to make it easier for them to get the training they need. We want to introduce changes that will particularly benefit agency workers who are on low pay, who we know are less likely to have any qualifications, making it harder for them to progress in work or in a sustainable job.
- 6.34 We will encourage companies to use Train to Gain funding to invest in training agency workers they hire, even though they are not the permanent employer. We will also relax the funding rules so that agency workers can access financial support for Level 2 and Level 3 qualifications, regardless of their previous qualifications, giving maximum flexibility and opportunity.

- 6.35 In addition, to making a better package of training available, there are some successful employment agency models that include training as part of their core offer for temporary workers. We will look at lessons learned from existing schemes and explore ways of growing these.

Disabled people

- 6.36 Evidence shows that many disabled people experience a range of barriers within the labour market, including limited specialist skills training, low aspirations, discrimination and geographical barriers. In particular, adults with moderate to severe learning disabilities have a lower employment rate than any other disability group.
- 6.37 The Government will publish a new cross-government strategy focused on helping people with moderate to severe learning disabilities. In addition, we will introduce ‘support brokers’ into existing pilot programmes to help this group access the most relevant employment support for them. The brokers will help the people they work with use their social care personal budgets, alongside appropriate disability employment funding.
- 6.38 We will also improve employment support for those with severe mental health conditions. As well as encouraging the use of personal budgets to fund employment support, we will actively challenge the expectation that those with severe mental health conditions are not able to work, and ensure that reforms to government disability employment

services benefit this group. Our plans for this group will be included in a broader mental health and employment strategy to be published in spring 2009.

- 6.39 We recognise that the public sector needs to lead by example in its recruitment of those with moderate to severe learning disabilities and severe mental health conditions, as well as other groups. The Department of Health is leading work to help the NHS employ more people from these groups, and the Civil Service will modify its recruitment practices to do the same.

Increasing support for those out of work

- 6.40 The changes outlined above build on a long-term shift which has seen government policy encourage more people back into work, more employers to invest in training and more learners to achieve higher levels of qualifications after leaving school. In the current economic climate it is even more important that we maintain our focus and take specific actions to address additional barriers that the downturn creates.
- 6.41 We have announced a package of additional support for those who are still unemployed at six months to help them back into work, become self-employed or gain new skills through work-focused training. We are enhancing support offered through Jobcentre Plus personal advisers to help unemployed people review their jobsearch, work-skills and how they can more effectively apply for the vacancies available.
- 6.42 To encourage employers to take on the newly redundant, people who are long-term unemployed and those on inactive benefits, we have also relaxed the Train to Gain funding rules. Now, when employers recruit someone who has been unemployed, they can access funding with extra flexibility for those who already have qualifications (allowing, for example, free training in the workplace for a full NVQ Level 2 qualification, even if the individual already has a qualification at that level). Jobcentre Plus will ensure both employers and customers are aware of this guarantee. In addition, we have made it clear that small businesses will be a top priority for funding to help them continue to invest in their people during the downturn. The Welsh Assembly Government has also recently announced ProAct, a training scheme to help businesses and their employees during the current economic downturn, before the need for redundancy arises.
- 6.43 While these initiatives will benefit adults both in work and outside it, we have also specifically moved to change the welfare system so that rights to benefits are accompanied by responsibilities. This reinforces our commitment that no one is written off, and that those who can work have a responsibility to equip themselves to find a job – an agenda being taken forward through the Welfare Reform White Paper published in December 2008. Our new Integrated Employment and Skills Service, which is currently being piloted to roll out across England in 2010-11, will focus on better identification of skills needs

amongst Jobcentre Plus customers, helping people to address those needs and progress to higher skilled and sustainable employment.

Focusing on sustainable employment

- 6.44 Our goal is not simply that people get into work, but that they receive the support they need to get into sustainable employment and to progress in work. Currently large numbers of workless people on benefit are undertaking education and training programmes to gain qualifications that give them the skills they need for employment. As part of our new performance assessment framework for colleges and providers (Framework for Excellence) we are finding out more about the destinations of these learners, so that we can better understand how effective they are in enabling sustainable employment, and thus improve courses and choices for future learners.
- 6.45 In responding to the economic climate, we have announced that we want to work with colleges and other training providers on how they can use their existing budgets more flexibly to support learners into sustainable employment and to progress in employment.

Supporting self-employment

- 6.46 One route to fulfilling potential for benefit customers is through self-employment. As part of the new offer of support for those unemployed for six months, we are ensuring there is a straightforward self-employment

offer for benefit customers, joining up provision offered through Jobcentre Plus with business start-up packages offered through Business Link in England and working with Business Gateway in Scotland and Flexible Support for Business in Wales. We will ensure that Jobcentre Plus advisers are able to support people to make the right choices about self-employment, together with support from private and voluntary sector providers. For those who have been on Jobseeker's Allowance for more than six months and show a real interest in taking this option, we will offer financial support during the first few months while they get their business going. We will also explore whether we can include self-employment in the Job Outcome Target.

- 6.47 Where appropriate, those moving into self-employment should also receive the in-work training equivalent to that of a conventional employee. We will work to ensure that the self-employed can benefit from the Train to Gain offer and procure relevant training programmes to help them and their business on the path to success.

Helping offenders

- 6.48 We will also take further steps to help and support offenders to secure employment, achieve their own potential and make a positive contribution to society. This will make a substantial difference not only to their own lives, but also to the wider community. Key steps include better direction to training opportunities so they can continue learning started

in the community or during custody, and strengthening the links between colleges and the probation service.

- 6.49 We will work to help offenders into sustained employment and seek to expand the number and type of employers prepared to work with offenders, and broaden the range of ways in which they do so.
- 6.50 We will aim to increase the proportion of offenders under probation supervision who live in settled accommodation. We will encourage joint working between the National Offender Management Service (NOMS) and local housing partners to achieve positive housing outcomes for offenders.

Increasing opportunities for those of working age

- 6.51 As elsewhere in this document, the policies we announce here are an extension of our overall approach. Our aim is to enable everyone to fulfil their potential: in the workplace that means ensuring that high-quality training opportunities are available and that we address whatever barriers exist to prevent people from accessing those opportunities. That is why we are particularly addressing those who have earned the right to training through their contribution to society, those whose income inhibits them taking up training, and those with disabilities or learning difficulties that make getting on in work that much more of a challenge. It is also why we are making a commitment to identify barriers that exist within specific professions.

- 6.52 Our approach is to make the opportunities available, and to support people to take up those opportunities. As set out throughout this document, the choices are not only for the Government but for the whole of the UK.

7. Strengthening family life



“We develop a nurturing and trusting relationship with the mum and the dad so in turn they will develop that same nurturing and trusting relationship with the baby.” Debbie Nash, Family Nurse

Families are the bedrock of our society and the foundation for our ambitions for our country. The family environment has a vital influence on everyone who is part of it. The involvement of mothers and fathers in their child’s early years and educational development is absolutely essential to the health, happiness and development of children and their achievements in later life. Strong family relationships support individuals through tough times. Most families provide the love, encouragement, advice and support to help their children grow and thrive. But they face an ever-increasing range of pressures around this – from financial pressures to time to lack of relationship skills – that can have a detrimental impact on individuals’ life chances.

In this chapter, we explain our approach to reducing those pressures by supporting parenting, strengthening relationships and helping families financially. Family Nurses like Debbie are a key part of that. Alongside this, we set out how we will protect those families at risk – through intensive support when they need it most.

Family and social mobility

7.1 Families are the bedrock of our society, providing the support that enables individuals to progress throughout their lives. They nurture children, help to build strength, resilience and moral values in young people, and provide the love and encouragement that help them lead fulfilling lives. They are absolutely essential to help people make the

most of their potential and to meet our ambitions for the country.

7.2 The family has shown itself able to survive, shape and adapt to changes in social and economic circumstances, and it continues to do so today.¹ We see an increasing range of family structures, to the extent that there is arguably no longer a typical family form or structure. But this is diversity and not decline.

¹ Cabinet Office/Department for Children, Schools and Families, *Families in Britain: an evidence paper*, 2008

- 7.3 As the Children's Plan made clear, government does not bring up children or build strong relationships; parents and individuals do.² But government should try to reduce the external pressures that families face, and support families in building their skills, resources and capabilities. Over the last decade, we have done this in a number of crucial and major ways by:
- introducing the right for parents of young children to ask for flexible working;
 - providing support for families through Child Tax Credits and Working Tax Credits;
 - creating nearly 3,000 Sure Start Children's Centres around the country;
 - investing more than £100 million to expand the network of Parent Support Advisers; and
 - improving information and advice services for parents through the Parent Know How programme.
- 7.4 By supporting parenting, strengthening relationships and helping families financially, we can continue to help families create the conditions within which individuals can build their capabilities that allow them to get on in life.
- 7.5 Parental involvement helps to develop secure attachments, establish personal skills and support cognitive development in a child's early years.³ Parental engagement in the home learning environment is important for children's education, and parental involvement has a bigger effect than school quality on pupils' attainment at age 11.⁴
- 7.6 All types of family can, in the right circumstances, look after their family members, help them get on in life and put their children on the path to success. Strong relationships between all family members are vital to creating the conditions for individuals to thrive and develop. All the evidence suggests that growing up in a family with stable, healthy relationships has a positive impact on child outcomes.⁵ For adults, partners in stable, loving relationships live longer, report fewer health problems and use health services substantially less.⁶
- 7.7 Financial resources in a family are important not only to children's capabilities, but also to enable individuals to access opportunities throughout their lives. The more financial resources a family has, the greater its capacity to invest in the development of its members. It is vital therefore that we continue our work towards eradicating child poverty and promoting saving and asset ownership.
- 7.8 Most families are doing well. So while we want and need to continue to offer better support for all families, we are targeting intensive support towards those families with more complex problems to enable them to fulfil their responsibility to provide the right environment for their children to develop. We will also intervene to

2 Department for Children, School and Families (DCSF), *The Children's Plan: Building brighter futures*, 2007

3 David T *et al.* *Birth to Three Matters: A Review of the Literature*, DfES Research Report Number 444, 2003

4 Duckworth, *Influences on attainment in primary school interactions between child, family and school contexts*, DCSF Research Brief RB 04, 2008

5 Cabinet Office/DCSF, *Families in Britain*, 2008

6 Cabinet Office/DCSF, *Families in Britain*, 2008

protect those children whose safety and development are at risk, and continue to support children in care.

Supporting parental involvement to strengthen early years attachments and encourage learning

7.9 Effective parenting plays a critical role in shaping children's wellbeing, achievements and prospects from the early years onwards. Emotional bonds are crucial for neurological development and positive early years experiences have long-term effects on development. Nurturing relationships and secure attachments between mothers and fathers and their children contribute towards a broad range of later capabilities, such as love of learning, social skills and self-esteem. Supporting parenting is therefore a crucial part of ensuring that family provides the best possible environment within which individuals can develop.⁷

Improving parental support

7.10 Understanding this, we have transformed the availability and effectiveness of parenting and family support:

- as stated in chapter 3, we have made parenting support available through Sure Start Children's Centres and other care settings in the local community;
- every local authority now has dedicated parenting support available for the mothers and fathers of children at risk of anti-social behaviour;

- we have introduced the Parenting Early Intervention Programme (PEIP), helping to halve the number of parents who classified their children as having significant behavioural difficulties; and

- the Welsh Assembly Government has introduced Flying Start, targeted at the 0–3 age group in the most deprived communities in Wales, as well as the Parenting Action Plan.

7.11 Parental involvement is also vital throughout the rest of childhood, especially to their children's education. Mothers and fathers should be centre-stage in their child's learning. Not only is that what parents want, but evidence underlines that this is vital to educational success.⁸

7.12 A positive learning environment in the home during the early years can greatly enhance a child's attainment. Parental involvement in their child's reading has been found to be the most important determinant of language and emergent literacy.⁹ More broadly, parental aspirations for their children have a strong and significant link to attainment.¹⁰

7.13 We have already taken significant steps to promote parental engagement in learning, including through enhancing schools' reporting systems to parents, and the requirement to have Home School Agreements in place.

7.14 More broadly, intergenerational learning can play a key role in helping people from different

⁷ National Scientific Council on the Developing Child, *Working Paper 1: Young people develop in an environment of relationships*, 2004

⁸ Sammons et al, *EPPE: Influences on children's attainment and progress*, 2008

⁹ Bus et al, *Joint book reading makes for success in learning to read, Review of Educational Research*, 1995

¹⁰ National Literacy Trust, *Why it is important to involve parents*, 2007

ages and backgrounds feel part of the same community, appreciate their similarities and respect their differences. Our Wider Family Learning programme and our Family Learning Impact Funding support activities to tackle the barriers to learning that are passed from adult to child and from generation to generation.

7.15 In the *Children's Plan: One Year On: a Progress Report*,¹¹ we announced measures to further support families' capability to make a positive impact on children's learning, and to strengthen the partnership between families and schools, childcare settings and children's centres in securing the best educational outcomes for all.

7.16 This will be achieved by:

- empowering parents to engage, setting clear expectations of what they can expect from schools, nurseries and other settings;
- giving them regular, high-quality information on how their child is progressing;
- supporting them to develop the skills they need to help their child learn; and
- ensuring that professionals are trained in how to work with parents and that schools and other institutions are accountable for how well they work with parents.

7.17 This will also form part of our wider 'Think Fathers' campaign to raise awareness and provide guidance to the workforce on how to better engage fathers.

Providing additional support: Family Nurse Partnerships

7.18 We will continue to support all families in their efforts to engage with their children through the early years to increase bonding and encourage learning. However, we recognise that some mothers and fathers need more intensive support, especially in the early years, to provide the best possible environment for their children.

7.19 The Family Nurse Partnership programme offers a structured, intensive home visiting programme for vulnerable, young, first-time parents from early pregnancy until the child is two years old. It is a programme that has been developed over more than 30 years in the US, and research has demonstrated consistent long-term and short-term benefits for children and their mothers. These include significantly improved health and wellbeing, improved language development and school readiness, increased maternal employment, reductions in children's injuries, neglect and abuse, and increased paternal involvement.¹²

7.20 As a result of the initial success of this programme, we will expand the Family Nurse Partnership programme to more young, first-time mothers, particularly those identified as most vulnerable or at risk, to guide them through pregnancy and the first two years of their child's life. The forthcoming Child Health Strategy will provide details of our plans to expand this programme, as well as setting

¹¹ DCSF, *The Children's Plan: One Year On: A Progress Report*, 2008

¹² Olds, D, *The Nurse – Family Partnership: An evidence – based preventive intervention* *Infant Mental Health Journal*, 2006

Case study: Supporting parenting through the Family Nurse Partnership

First-time mum Jenny was very nervous about giving birth and bringing up a baby – even though her partner, Michael, was very supportive. But working with Family Nurse Debbie Nash helped her to overcome those nerves and prepared both Jenny and Michael for becoming parents.

Debbie visited the couple regularly throughout Jenny’s pregnancy, and discussed with them a range of issues around bringing up children – from the personal health of both mother and baby, to the parental roles, to issues around Jenny’s and Michael’s skills, education and work. One particular subject was healthy eating: after Debbie explained how important certain foods are for pregnant mums and their unborn babies, Jenny and Michael worked hard to improve their diet – a major step for Jenny in particular, who had previously had an eating disorder.

Crucially, the sessions helped Jenny to build up trust with Debbie and she began to talk about her feelings around the child – a key part of the Family Nurse’s role. “We empower our clients to face their difficulties, which may involve accompanying them to groups and appointments of all kinds. Because of the nature of the work, we have to be emotionally available to the girls, supporting them so they can be emotionally available to the child.”

Another key aspect of the Family Nurse Partnership is around the relationship between the mother and father. Though Michael was very committed to Jenny, it’s not always the case, as Debbie explains. “A lot of our girls don’t know the dads very well when they get pregnant – it’s near the start of the relationship. We make the dads feel important and give them lots of praise, which encourages them to stay around – though in Michael’s case, that was never in doubt.”

For Debbie, it is a hugely rewarding and valuable approach. “Parents are willing to do almost anything to help their babies move on in life. Our support helps them do that.”

out further initiatives to support child development.

Supporting the relationships between all family members

7.21 It is not just parental relationships that are important within families.

As noted earlier, evidence shows that all family relationships are influential on individual wellbeing and ability to fulfil potential.¹³

7.22 We therefore want to develop a progressive approach to supporting relationships that cements the

¹³ Cabinet Office/DCSF, *Families in Britain*, 2008

importance of developing relationship skills throughout our lives.

7.23 Government's role in supporting adult relationships is relatively new and untested and there are many views about what our role should be. Therefore, working closely with leading national media agony aunts, we brought experts from across the sector together at a Relationship Summit in December 2008.

7.24 At the Summit, it was announced that more support will be provided for children and for separating families. We will:

- provide better support for mothers and fathers to help them prepare for the changes parenthood brings;
- increase resources to train a range of professionals and run new antenatal programmes to support new families, in recognition of the fact that many parental relationships deteriorate around the birth of a first child;
- invest £60 million in piloting targeted mental health support for children and young people, to include new counselling and peer mentoring programmes for children caught in the middle of family breakdown. This support will be delivered through an estimated 1,500 schools, benefiting over 200,000 children and young people;
- invite local providers to develop pilots to better co-ordinate local support and services for separating parents, from counselling and mediation to practical and legal support; and

- introduce a new online and phone service to make it easier for children and parents to get help.

Supporting families financially: eradicating child poverty and encouraging asset ownership

7.25 This Government has done much to support families financially. We have provided financial support through tax credits for working families, introduced above-inflation rises (from £11.05 in 1997 to £20 now for the oldest child) in Child Benefit, and expanded access to savings and assets. This has helped raise family incomes, reduce child poverty and expand choice. The combined impact of the introduction of tax credits and the increase in Child Benefit, along with other changes to the direct tax and benefit system, mean that the average family with children in 2009-10 will be £2,100 better off in real terms than in 1997.¹⁴

Legislating to eradicate child poverty

7.26 The Government has committed to halving child poverty by 2010 and eradicating it by 2020. High levels of child poverty are of course bad for the children themselves. Growing up in households which are struggling day in and day out to make ends meet is linked to attainment at school and too often to how children get on as adults. While some children from low-income households go on to achieve their full potential, too many do not. This, in turn, creates inter-generational cycles of poverty.¹⁵ But child poverty is also bad for society as a whole. More child

¹⁴ Based on figures from Her Majesty's Treasury

¹⁵ Her Majesty's Treasury, *Ending child poverty: everybody's business*, 2008

poverty means wasted talent, higher risk of crime, anti-social behaviour and other problems. At the heart of a fairer society must be the eradication of child poverty.

- 7.27 In the last eleven years, we have seen substantial progress in halting and reversing the rising trend of child poverty, with 600,000 children lifted out of relative income poverty since 1998/99. Measures announced since Budget 2007 should lift around a further 500,000 children out of relative poverty. But we are determined that we go further still.¹⁶
- 7.28 In March 2008, we published *Ending Child Poverty: Everybody's Business*,¹⁷ which set out the causes and consequences of child poverty and the impact of Government action so far. Budget 2008 announced £125 million in new funding to test out new and innovative ways of tackling child poverty over the next three years.
- 7.29 We are clear that that all parts of society will need to play their part in achieving our long-term goals. We want to demonstrate our commitment to supporting parents in their role through a contract; a contract in which the government undertakes to providing the support that families need to move into work, to focusing effort and resource to close the gaps in opportunities and achievements for poor children, and to providing financial security for those who temporarily or permanently cannot work. The Government will provide all families with a clear route out of poverty. On the other side of this contract, we look to families to make a commitment to improve their situations where they can, to do the best for their children's wellbeing and development, and to take advantage of the opportunities on offer. That is why we are increasing the expectations that we place on parents in receipt of state support.
- 7.30 For all the progress we need renewed and continual focus on child poverty. That is why the Prime Minister has announced our intention to enshrine in legislation the pledge to eradicate child poverty by 2020, through a child poverty bill to be introduced in 2009. This will give new impetus to our commitment and ensure a focus across all levels of government on ending child poverty for the long-term. It will drive progress towards 2020 and set a comprehensive, holistic and robust framework where everyone is enabled and supported to play their part in tackling child poverty.
- 7.31 We will shortly begin a consultation on the most effective way of driving progress to our 2020 goal.
- 7.32 Tackling child poverty is not just a priority for central government departments – it should also be seen as core business by all local authorities and their delivery partners. We will consult on how the legislation could incentivise local government to do more to tackle child poverty.
- 7.33 The effects of poverty can be most long-lasting amongst those very young children who suffer in their earliest years. We will also consider how the child poverty strategy can ensure that government and other

¹⁶ HMT, *Ending child poverty: everybody's business*, 2008

¹⁷ HMT, *Ending child poverty: everybody's business*, 2008

bodies attach the highest priority and greatest urgency to tackling poverty amongst our youngest children. And we are also piloting £200 Child Development Grants to help families that are failing to take up services offered by Children's Centres, such as health jabs, help with children's reading and parenting. The £13 million Child Development Grant programme will be available to parents of children under five.

- 7.34 One key element in tackling child poverty is raising parents' skill levels, so that they can access more and better jobs and increase their earnings. We will specifically examine ways to ensure that disadvantaged groups access a proportionate share of skills investment, and work with employers to help them make the most use of all skills in the workforce. In particular, we will focus on how to increase flexibility in employment and training to reflect parents' needs and responsibilities.
- 7.35 Childcare plays an important role in supporting child development and in ensuring parents have the best possible opportunity to work and thereby lift their children out of poverty. We will therefore consider how best we can take into account the contribution that the planned expansion in the availability of free childcare could make to the goal of eradicating child poverty.

Increasing access to assets

- 7.36 Evidence suggests that access to financial assets can play a key role in determining future outcomes. Access

to savings or assets at age 23 have been linked to better health, better employment prospects, and greater engagement in the community later in life.¹⁸ Families with savings are able to invest in the development of their children.

- 7.37 We are determined to improve access to assets for all families. We have introduced schemes such as Individual Savings Accounts (ISAs) and the Share Incentive Plan (SIP) to help meet this ambition.
- 7.38 ISAs have encouraged saving across the population: over 18 million people now have an ISA, including 1 in 5 people from low-income groups, and almost 10% of ISAs are held by people aged under 25.¹⁹
- 7.39 Many young people already use their ISA allowance to save for a deposit for a house. Following the support we gave to first-time buyers in September 2008, we are now considering whether we need to do more to help first-time buyers save for their first home. Following the recent Pre-Budget Report, we are seeking views from industry and individuals on whether creating a new tax-relieved savings scheme targeted at first-time buyers would be a helpful step forward.
- 7.40 To encourage those in work to build up assets, we have introduced SIP. This is the most generous tax-advantaged all-employee share scheme ever introduced in the UK, with employees able to save and purchase shares from gross salary. Nearly four million employees took up the opportunity to purchase shares from SIP in 2006/07.²⁰

¹⁸ Bynner J and Paxton W, *The Asset-Effect*, IPPR, 2001

¹⁹ Based on figures from HMT

²⁰ Based on figures from HMT

- 7.41 The Government will look further at how tax-advantaged employee share schemes can promote progressive opportunities for asset ownership and will also continue to monitor these schemes to ensure that they are delivering against our objectives for productivity and saving.
- 7.42 Through the Child Trust Fund, we have made it easier for all families, including those on lower incomes, to save so that in future all young people will have access to a financial asset at age 18, regardless of family background. Over 4 million children now have a Child Trust Fund and in Wales, the Welsh Assembly Government has committed to introduce a top-up to the Child Trust Fund.
- 7.43 We particularly want to ensure that those on low to moderate incomes, and not just those on high incomes, have opportunities and incentives to accumulate assets. Since 2001, we have been exploring whether a government contribution for each pound saved is an incentive to save for working-age people on lower incomes. Following the success of these pilots, the Government is introducing the Saving Gateway nationally to promote financial inclusion. For every one pound saved in the scheme, the Government will contribute an extra fifty pence. Around 8 million people will be eligible to open Saving Gateway accounts, and the first accounts will be available in 2010.

Helping families at risk

- 7.44 Whilst families should be their own experts on what is right for them, they also have responsibilities to fulfil – for example, to provide a safe and supportive environment for their children. Where parents are struggling to achieve this government has a responsibility to provide extra help and, in the most serious cases, to intervene to protect children.
- 7.45 In a small minority of families, there are specific factors that can prevent positive parenting and relationships and are strong predictors of future disadvantage for children. For example, 63% of boys with convicted fathers go on to be convicted themselves; 25% of children witnessing domestic violence have serious social and behavioural problems; and parental alcohol misuse is a factor in more than 50% of child protection cases.²¹

Extending Family Intervention Projects

- 7.46 One key intervention for families who need significant extra support is Family Intervention Projects (FIPs). Early evidence shows that the 65 projects set up so far are making a significant difference to risk factors in families and improving life chances for children. The proportion of families with poor parenting, domestic violence and child protection issues was halved, and the proportion of families reported to have education and learning problems such as truancy, exclusion or bad behaviour at school was reduced from 72% to 45%.²²

²¹ Cabinet Office, *Reaching Out: Think Family: Analysis and themes from the families at Risk Review*, 2008

²² National Centre for Social Research, *Family Intervention Project Information System*, 2008

7.47 We therefore plan to expand the Family Intervention Projects model to more at-risk families. As set out in the recent Youth Crime Action Plan,²³ we will develop Family Intervention Projects in every local authority to work with families with children at risk of offending and other poor outcomes. This will mean expanding the total numbers supported through Family Intervention Projects from 2,600 families to 20,000 families by the end of 2011. In 2008–09, 20 new projects, of which 12 are already up and running with staff in place, are being developed to focus on:

- families of prolific and longstanding offenders or the families of parents who are in prison;
- families involved in local gun, gang and knife activity;
- families of young people on the cusp of entering the criminal justice system; and
- families with substance-misusing parents with at least one child under the age of five.

Effective early intervention

7.48 Of course, families are different. They want and are entitled to personalised approach that matches the right programme of support at the right time to their needs. Chapter 3 sets out how parents can get advice and support from Children's Centres and extended schools. These universal services have a key role to play in early identification of additional needs of children and their families and in providing support to meet them.

But most families also receive other services from, for example, local authorities, the NHS, Jobcentres and the voluntary sector and so on.

7.49 We need to do more to make sure that adults' and children's services understand how risk factors in families inter-relate and deliver a joined-up service. *Think Family: Improving the life chances of families at risk*,²⁴ set out a vision for an integrated system which looks at the circumstances of families and provides support and intervenes more consistently.

7.50 Through 15 Family Pathfinders, we have begun to implement this vision, with better systems for identifying and engaging families at risk and improved information sharing between service providers. Over 2009–11, we will work with local authorities to use the learning from these Family Pathfinder sites to implement the 'Think Family' model in every local authority.

7.51 Using the lessons from these 15 Family Pathfinders, the Family Intervention Projects and, subject to Lord Laming's forthcoming recommendations on safeguarding following the recent case of Baby P, we will explore how we move towards a more consistent approach to intervening to support families at risk in the following ways:

- improving the identification of families in need by a range of front line services working with both adults and children;

²³ Home Office, Youth Crime Action Plan, 2008

²⁴ Cabinet Office, *Think Family: Improving the life chances of families at risk*, 2008

- ensuring family support needs are always taken into account by public services, including schools, the NHS and the justice system. Subject to the findings of Lord Laming we will explore developing a clear set of circumstances and risk factors after which the need for a family intervention such as a Family Intervention Project, a parenting order or another form of family support would be assessed. These parent and child risk factors could potentially include having a parent in prison, problematic parental drug or alcohol addiction, domestic violence, school exclusion and the child being convicted of any crime; and
- identifying best practice in multi-agency assessment, choice of evidence-based programmes and management of families with complex needs.

Realising the potential of children in care

- 7.52 While the government has a responsibility to help support and protect all children, we have a particular responsibility to children in care. Society's aspirations for children in care should be no less than parents have for their own children.
- 7.53 Although we have seen a steady improvement in care leavers' participation in education, too many still fall into the trap of poverty and worklessness after leaving care. In the *Care Matters White Paper*,²⁵ we set out the reforms needed to transform the lives of children and young people in care and better help them realise their potential.
- 7.54 We will develop a national employment support programme for care leavers, as part of the wider drive to improve the quality of transition from care to adulthood. The Government will fund the National Care Advisory Service (NCAS) for the next two years to work with local authorities to develop and test models of support for care leavers into employment. NCAS will work with nine local authorities in year one with a view to extending support to half of all local authorities in year two as the first phased step of a national roll-out. As part of this policy, the National Apprenticeship Service will work with NCAS to ensure that from September 2009 all suitably qualified care leavers will be offered an Apprenticeship place and we intend to make this a legal entitlement from 2013.
- 7.55 In line with our commitments in *Building Stronger Partnerships* to improve partnership working between employers and children's services, this new programme will involve the creation of a national network of employers from the private, public and third sectors who will sign up to a commitment to develop employment support initiatives in their organisations for young people leaving care. Employers will offer opportunities for work experience and mentoring support, matched to the specific needs of the young person and including a package of training. Over time we intend to offer all care leavers an enhanced career planning pathway that will cover their next two to eight years, using a personalised,

²⁵ DfES, *Care matters: Time for a change*, 2007

flexible model to help tackle barriers to work. This initiative will draw on the expertise of the third sector in supporting vulnerable young people into employment.

- 7.56 Having a stable place to live is also vital to enabling care leavers' successful transition to adulthood such as finding work or training. Over the next two years NCAS, government offices and specialist youth homelessness advisors will work with local authorities as part of government's drive to improve access to suitable accommodation for care leavers.

8. Supporting communities to support individuals



“Aside from the community impact, volunteering can bridge the gap between skills development, education and employment and I’m living proof of this.” Jared Nessa

Strong, positive communities nurture ambition and encourage success. Over the last decade, we have taken clear steps to build better communities, with targeted investment in regeneration and neighbourhood renewal. Recently, we announced the creation of the biggest regeneration agency in Europe: the Homes and Communities Agency.

But the last ten years have taught us that long-term improvements are brought about by linking physical, social and economic regeneration and by developing plans based on local expertise and real community engagement. To tackle the underlying economic causes of deprivation, we must take a holistic view of communities, linking improvements to the fabric of the neighbourhood with improvements to long-term prospects – through greater job opportunities and higher aspirations. We are therefore investing in a range of programmes to raise aspirations, engage young people in community life and empower communities to respond locally to the problems they face.

Communities and opportunity

- 8.1 Communities play a vital part in shaping people’s capabilities throughout their lives. They provide an environment in which people not only access the services and opportunities that can help them realise their potential, but also develop their aspirations. Growing up in a strong, positive community encourages us to set our sights high and helps us to develop the resilience to overcome adversity and achieve our goals.
- 8.2 The supporting role of communities can be especially important for young people as their attitudes to education and employment become increasingly moulded by peers. The transition into employment and the ability to get on in work, meanwhile, are strongly affected by the potential of communities to take advantage of surrounding economic opportunities.
- 8.3 Over the last decade, we have invested in institutions and services that provide strong sources of support in

local areas and help connect them with economic opportunities. We have introduced the Local Area Agreement system, which brings together local authorities, their partners and government, to agree and identify local priorities and put in place relevant targets around these.

- 8.4 We are also investing more than £230 million, via the Grassroots Grants, Community Assets, and Community Builders programmes, in creating effective, sustainable community organisations that bring local people together and develop solutions to local needs. Thriving, community-based, third sector organisations led by enterprising staff and committed volunteers are often at the heart of creating a supportive community.
- 8.5 In the last ten years, the Government's regeneration and neighbourhood renewal work has driven real improvements in the most deprived areas. Overall, between 1999 and 2006 the New Deal for Communities areas have demonstrated real progress for local people. For example, the recorded burglary rate (per thousand properties) has fallen by 20 per cent between 2001 and 2005 and the number of children gaining five or more good GCSEs has increased from 26% to 37%.¹
- 8.6 However, there are still too many places with high concentrations of poverty and deprivation and where social outcomes are disproportionately low. Of the 10%

most deprived neighbourhoods, 8 out of 10 achieved 30% or more of pupils leaving school with five or more good GCSE's, compared to over 9 out of 10 areas in the rest of England.² And the disadvantages associated with deprivation are reinforced in some communities by attitudinal barriers: low expectations, a lack of self-belief and a fear of the unknown.³

- 8.7 Building on the lessons learned over the last 11 years, we are increasingly focused on tackling the underlying, long-term economic causes of deprivation in the most disadvantaged communities. This way, we can better realise our long-term goal of ensuring that an individual's background – including the community in which they grow up – is no barrier to achieving their potential.
- 8.8 At the same time, to ensure that all communities are in the best possible position to support people throughout their lives, our approach is to empower local people and communities to develop tailored and locally owned solutions to the problems they face. This will help put them at the centre of a supporting environment that will build capabilities and provide new opportunities across the life stages.

Communities and the early years

- 8.9 As we identified in chapter 3, the environment that children experience in their early years has a profound impact on their subsequent lives. Children need opportunities to

1 Centre for Regional Economic and Social Research, *New Deal for Communities: A synthesis of programme wide evidence 2006-07*, 2008

2 Based on KS4 attainment at LSOA level. Attainment based on achievement of 5 Grades A*-C in any subject. Excludes LSOAs containing small numbers of pupils or subject to disclosure issues. Data available through Neighbourhood Statistics.

3 Cabinet Office/DCLG/DCSF *Aspiration and attainment amongst young people in deprived communities (2008)*

interact, form attachments and start learning. Having access to high-quality childcare and children's facilities is vital to giving them these opportunities – which is why we have invested extensively in providing improved facilities, such as Sure Start Children's Centres, in more communities.

- 8.10 Sure Start Children's Centres play a pivotal role in giving children a better start in life by bringing together childcare, family, health and employment services in a single location. They have quickly become an important part of the communities they serve, reflecting the way in which they address local needs. Our investment in the centres has focused initially on the most disadvantaged communities and reaches out to the most disadvantaged families. We have now announced our intention to place Sure Start Children's Centres on a statutory basis, which would include a new duty on local authorities to consult with families and communities before opening or closing a centre, or making significant changes to the services available.
- 8.11 Although we will continue to invest in Sure Start, we also recognise that each community has its own specific priorities. As part of the child poverty pilots, local authorities will be given grants to develop new and innovative approaches to tackle child poverty in their areas, working with local partners to test ways of addressing the needs of families in their areas.

- 8.12 One such approach that the Government is already supporting is the Real Choices Project in Cornwall. It not only brings local childcare services to deprived rural communities, but also signposts parents to additional support provided by a local volunteer and trains volunteers in partnership with the Citizens Advice Bureau.
- 8.13 By combining investment, innovation and empowerment, communities will continue to provide important support for individuals during this vital life stage.

The role of communities in engaging school-age young people

- 8.14 As young people move into a school environment, the influence of the community becomes more important. Relationships with peers within the community affect young people's interests, their activities and their aspirations. It is a time when positive community influence can be of particular significance – and negative influence can be highly damaging.

Encouraging young people into leadership

- 8.15 One particular way in which the community can support and engage young people is by giving them opportunities to take leadership roles. The responsibility of a leadership role can have a dramatic impact on reducing disaffection and disengagement, as well as contributing to an improvement in academic achievement and helping to prepare young people for adulthood.

- 8.16 We are extending opportunities for young people to engage with civic society and decision makers through the Young Advisors initiative. This enables young people to be trained to help public bodies engage meaningfully with young people. In return, they have the opportunity to influence local services. Initial evidence suggests that the programme is raising the aspirations of the young people involved.
- 8.17 Nine young people have been recruited from the Young Advisors initiative to advise the Secretary of State for Communities and Local Government. Members of the panel meet regularly with the Secretary of State to help shape the design and implementation of national policies.
- 8.18 We have also set out our commitment to create a new National Body for Youth Leadership (NBYL).⁴ In the coming weeks, we will announce a consortium of the leading youth organisations who will deliver the NBYL. Its role will be to increase the number and quality of leadership opportunities for those aged 13–19 and to develop their capacity to lead, encouraging them on the path to success. It will have a clear focus on young people who face the greatest risk of negative outcomes.
- Preventing youth crime**
- 8.19 As well as helping create new opportunities for young people, there needs to be a clear articulation of expectations and boundaries and the consequences of overstepping them. We have a 'triple track' approach, which combines better and earlier prevention, non-negotiable support for those who most need it and increased enforcement. It reflects our recognition of the importance of prevention and a determination to address the root causes of crime by spotting problems early and intervening in a targeted way.⁵
- 8.20 In a small minority of areas, serious youth crime, and gang-related crime in particular, impacts significantly on individuals' opportunities. Gang-related violence can have a devastating impact on victims' families, friends and communities. It can restrict the aspirations of young people and, by limiting their ability to move safely between areas, can impact on their access to services.
- 8.21 To counter such outcomes, we are developing new approaches to these localised problems. The Tackling Gangs Action Programme, which ran from September 2007 to March 2008, provided £1.5 million to the four cities most affected by gang violence – Birmingham, Liverpool, London and Manchester. During that period, there was a 51% reduction in firearms-related injuries across the four cities.⁶ A similar initiative, the Tackling Knives Action Programme, has been introduced to address teenage knife crime in the 10 areas most affected by it.

⁴ DCSF, *Aiming High for Young People: a Ten Year Strategy for Positive Activities*, 2007

⁵ Home Office, *Youth Crime Action Plan*, 2008

⁶ Dawson, *Monitoring data from the Tackling Gangs Action Programme*, 2008

Case study: Increasing young people's aspirations

"Young people need a sense of belonging," says youth worker Denise Medica. But without a positive community around them, that sense of belonging is often found through peer groups, which can be a negative influence.

Living Space, the community centre where Denise works, aims to provide an alternative. Jointly funded by Lambeth and Southwark councils, Living Space offers young people a range of services, support and opportunities to help them deal with everyday challenges.

Some of this is practical, ranging from providing cooked meals – alongside seminars on healthy eating – to helping prepare for interviews. Other elements are academic: "We run homework clubs and subject-specific tutoring," Denise explains, while acknowledging that for many young people at the centre, simply having access to the space to study and resources such as computers is crucial.

Above all, though, the centre provides one-to-one support in a trusted environment. "If you are wondering why the young people don't try and succeed at school and look for a rosy future, it's because they often can't see past tomorrow," Denise says. "We listen to the young people, give them guidance, support, and somebody to talk to."

It is this support that really helps the young people that attend the centre. Not only does it enable them to deal with everyday problems, but it also helps to restore their confidence and raise their aspirations – as 16-year-old Jessica Mutshipayi can testify. Now studying media and video production at college, Jessica recognises that Denise and the Living Space centre helped her to get her GCSEs. "The private tutoring and homework club that the centre offered were really helpful," she says. "I wouldn't have gone to college otherwise."

Increasing young people's aspirations by creating Inspiring Communities

8.22 Young people's aspirations – the goals they set for the future, their inspiration and their motivation to work towards these goals – have a significant influence both on their educational attainment and their broader life chances. 11–14 is a particularly important age, when

young people begin to form more concrete aspirations and become increasingly influenced by their peers.⁷

8.23 In some deprived communities, stable populations and close-knit social networks combine with a sense of isolation from broader social connections and economic opportunities. This can limit young people's horizons and aspirations

⁷ Cabinet Office/DCLG/DCSF, *Aspiration and attainment amongst young people in deprived communities*, 2008

for the future. We are therefore announcing a new approach to raising aspirations targeted at these neighbourhoods: Inspiring Communities.

- 8.24 Initially based in 15 areas, it will invite neighbourhoods to design and deliver a package of interventions for young people, their families and communities that meets the particular needs of the area. The approach will be backed by a core offer worth more than £10 million from central government, which will include funding for young social entrepreneurs and for intergenerational volunteering; a local innovation fund; tools to develop a community pledge on youth achievement; and twinning opportunities between diverse communities. Local agencies and organisations will be able to use their budgets flexibly to meet local requirements.
- 8.25 The aim is to create Inspiring Communities – places where schools, businesses, local agencies, parents and the wider community all believe that their young people can succeed, and where they can work together to help them achieve their aspirations. Each community will undertake a rigorous participatory process for designing interventions. New initiatives will build on and connect with existing offers from schools, health services, the third sector, regeneration and other agencies – such as the Extra Mile project in schools or role model and mentoring initiatives.
- 8.26 We will support the programme by creating a national network of Inspiring Communities and enabling the sharing of ideas and evidence of what works.
- Communities, continuity and the transition into work**
- 8.27 Schools provide a focus for young people and act as a community hub. But when people leave education, they can lose their sense of connection to the community – especially if they do not have a job. This can quickly lead to further disenfranchisement and a sense of exclusion.
- 8.28 If we are to achieve our goal of enabling everyone to achieve their potential, it is vital that we recognise the role the community can play in helping to avoid this disengagement.
- 8.29 Involving young people in volunteering within the community can be an important way to raise aspirations and build confidence and responsibility. It provides opportunities not only to enhance their sense of community, but it can also unlock talents and provide a platform into training and employment.
- 8.30 We are investing £117 million between 2008 and 2011 to support the independent charity v in its work enabling 16–25 year-olds to volunteer. A large part of this will be through the biggest ever national youth volunteering programme, vinvolved. This began in April 2008 and has already commissioned some 500,000 opportunities. Funding will be used, in part, to provide teams – covering

Case study: The impact of volunteering

Jared Nessa grew up in Moss Side in Manchester where he found “there wasn’t really much for young people to do. It was pretty easy to get into trouble,” he admits, “and I really didn’t get on with school. The curriculum just didn’t engage me, and at the age of 14 I’d pretty much stopped going and dropped off the radar.”

Jared eventually found out about a project run by Save the Children and started to volunteer, speaking with decision makers and advocating on behalf of young people who were socially excluded. “Volunteering started to open up loads of doors for me and I even found myself representing the UK in Russia for an international leadership conference. This gave me an opportunity to contribute towards meaningful exchange with volunteers from around the world, which was awe-inspiring to say the least.”

“Aside from the community impact,” he concludes, “volunteering can bridge the gap between skills development, education and employment and I’m living proof of this. I’m now in my second year at university and studying for a degree in Active Citizenship and Volunteer Development. I never would have imagined I’d end up here but that’s what volunteering can do for you.”

Jared is now a trustee of the youth volunteering charity v. We are investing £117 million in v to inspire and enable more young people to raise aspirations through volunteering.

- every local authority area – to support young volunteers.
- 8.31 We are also supporting v to deepen its approach and deliver volunteering opportunities that offer a clear route to gaining skills and employment. A new full-time programme is being created that will provide 1,000 structured vocational volunteering placements in local services for ten months. In order to provide a pathway for some of the most disadvantaged young people, at least 40% of placements will be reserved for those not in education, employment or training.
- 8.32 Each of the 33 local authorities selected to deliver this full-time programme will deliver 30 placements. The volunteers will each receive financial support and will work towards a recognised qualification. At the end of the programme, they can also apply for a personal development grant to help their transition to further training, education or employment.

Communities supporting work and generating work

- 8.33 Opportunities to work are central to economic and social issues at the local level. As we have said, worklessness not only impacts on individuals' life chances, but also on the life chances of the entire family – particularly children.
- 8.34 Communities where large numbers of people are out of work face a range of social problems. Aspirations tend to be lower. Increased employment is also often a catalyst of neighbourhood renewal and regeneration. Strong social networks can be vital to finding a job, with unemployment in some areas being partly attributed to weak social bonds.⁸ In the United Kingdom as a whole, 25% of men and 31% of women find their jobs through personal relationships, compared to 9% and 7% respectively at the job centre.⁹
- 8.35 As a result, our approach to building better communities is necessarily linked with our approach to generating more and better jobs – as set out in chapter 2 – and with the commitment to lifelong learning opportunities as set out in chapter 6. We need to ensure that our national ambitions are matched with tailored support locally, especially in the most deprived areas.

Tailoring local support to meet national ambitions

- 8.36 For example, the Working Neighbourhoods Fund (WNF) supports communities to build local programmes around a core national

provision. We are allocating £1.5 billion through the WNF to those local authority areas that face high numbers of people without work and low levels of skills and enterprise.

- 8.37 Through the Local Democracy, Economic Development and Construction Bill, we will introduce a range of new measures to support local economic development, laying the foundations for our national ambitions. This will include:
- a duty on local authorities to undertake an economic assessment in their area that will underpin the promotion of economic development at local, sub-regional and regional levels;
 - new powers to create 'Economic Prosperity Boards' that give local authorities the ability to create corporate bodies at sub-regional level; and
 - supporting the creation of multi-area agreements with statutory duties to provide a further option for local authorities to work together on economic development.
- 8.38 Local enterprise is also a vital trigger for generating new job opportunities within communities, and by supporting local enterprise, we will continue to build an entrepreneurial society.
- 8.39 Through the Local Enterprise and Growth initiative, we are investing £296 million via local authorities. Through the Local Area Agreement process, local areas will determine their priorities for stimulating economic development in their area.

⁸ Putnam, *Bowling Alone*, 2000
⁹ ONS, *Labour Force Survey*, 2002

- 8.40 One such step is increased support for community-level social enterprises. As mentioned in chapter 2, the UK has an expanding social enterprise sector. Social enterprises are pioneering a new approach to business that combines economic and social objectives. Community-level social enterprises play an important role in regenerating local economies – often refurbishing local buildings, providing local services, enabling the growth of micro-enterprise, and providing local leisure and recreational facilities that, in turn, create jobs for local people. For example, Sunlight Development Trust provides employment training and a range of services to tackle health inequity, in addition to providing a source of local employment.
- 8.41 We will work to support organisations like this by ensuring that they have access to appropriate finance and business support, and by raising awareness of the social enterprise business model through the Social Enterprise Ambassadors programme¹⁰ and including social enterprise within business studies in the GCSE curriculum.
- 8.42 There is strong evidence that the right kinds of early investment in all people, particularly the young, can deliver substantial returns not just for individuals themselves, but also for society and for government. It is therefore sensible to examine, as part of our commitment to delivering value for money in public services, innovative new ways to achieve such investment. Alongside public investment, several models have been suggested for enabling private or third sector organisations to invest in public services in return for payments linked to social outcomes, such as those models proposed by the Council on Social Action. Government departments and other public authorities should explore contracts for payment based on outcomes, where to do so would provide value for money at appropriate risk to the taxpayer and where proper procurement practices have been followed.
- A single conversation for community regeneration**
- 8.43 In December 2008, we launched the new Homes and Communities Agency (HCA), the biggest regeneration agency in Europe. Its core aim is to make sure that people have homes they can afford, in places they want to live. The HCA will bring together all local partners in a ‘single conversation’ that promotes housing development as well as the wider issues that make communities successful: economic growth, community development, job creation and external investment.
- 8.44 The HCA will build on a decade of government investment and reform. In 1997, many areas were badly in need of both physical and social regeneration. We have made significant investments, for example, through the New Deal for Communities programme and the Neighbourhood Renewal Fund, together totalling almost £5 billion. This continues through our Working

¹⁰ www.socialenterpriseambassadors.org.uk

Neighbourhoods Fund, with a focus on tackling worklessness. These unprecedented investments have transformed many neighbourhoods, and along with them people's opportunities and experiences, and have given us a strong foundation on which to build.

- 8.45 Of course we must continue to invest and innovate, because, despite substantial progress, we know there remain streets and estates where entrenched deprivation continues to undermine people's chances. And so to improve the opportunities of local people, we are announcing a new £15 million New Communities Fund (NCF) to support the regeneration work of the HCA. The NCF will initially support around 10 local authority pilot programmes that will draw on the crucial lessons from our work to date.
- 8.46 In the long run, we know that sustained improvements in social mobility will arise from ensuring that areas are not cut off from the opportunities that stem from growth in surrounding economies. The regeneration of neighbourhoods needs to be closely connected to broader strategies for economic growth and regeneration plans across the local authority area and region. We also know that those living in deprived areas and estates are the real experts in what holds people back and what would make a real difference to the community and their lives. Regeneration makes the most difference when it is owned and developed by the communities and individuals themselves.

- 8.47 So in each area, residents will be involved in designing plans for the future of their areas. These plans will aim, in the short term, to identify quick wins that can offer immediate improvements to their estate. In the longer term, their aim will be to better link these estates to new opportunities to bring about sustainable change. To ensure that we learn from this work, each pilot area will be connected into a wider research project to allow best practice to be brought together and shared.

Connecting people to opportunities

- 8.48 Effective transport links to jobs are important to ensuring that communities are able to access and benefit from surrounding economic opportunities. Department for Transport statutory guidance on local transport planning already emphasises the need to take full account of accessibility, making sure that everyone, especially those from disadvantaged groups and areas, can take advantage of jobs and public services.¹¹ There are also a number of initiatives around the country to give unemployed people the confidence and support to expand their travel horizons. For example, travel advisers now work within many local Jobcentre Plus offices, and in Merseyside, the Workwise programme has already helped link more than 10,000 people in deprived areas to key employment and education sites.
- 8.49 We are also creating an environment where third sector organisations can develop innovative and joined-up solutions to these problems. For

¹¹ DfT, *Consultation on Local Transport Plan Guidance*, 2008

example, the social enterprise group Hackney Community Transport (HCT) uses profits to subsidise services to disadvantaged communities and to fund major training courses for disadvantaged and excluded groups. HCT also provides training and flexible working patterns to enable low-income parents to become bus drivers.

Supporting communities to support individuals

- 8.50 Strengthening communities is not a stand-alone goal. By improving the neighbourhoods in which people live, by increasing their opportunities and by empowering them to take action to tackle the challenges they face, we can also raise aspirations. This in turn helps more people to realise their potential and to achieve their goals.
- 8.51 The policies announced in this chapter respond to these challenges. But more than simply stating what government will do, they give a clear indication of how we are empowering communities to help themselves – and so help every individual living within these communities.

Annex: Milestones

Here we set out the most important milestones for the policies announced within this White Paper and identify the government department that is responsible for them.

Key

Owners

BERR	Department for Business, Enterprise and Regulatory Reform
CLG	Communities and Local Government
CO	Cabinet Office
DCSF	Department for Children, Schools and Families
DH	Department of Health
DIUS	Department for Innovation, Universities and Skills
DWP	Department for Work and Pensions
GEO	Government Equalities Office
HMRC	HM Revenue and Customs
HMT	HM Treasury
ODI	Office for Disability Issues
SETF	Social Exclusion Task Force

Other terms

aacs	adult advancement careers service
FE	further education
FSM	free school meals
HE	higher education
IAG	information, advice and guidance
PSA	Public Service Agreement

Timing	Action	Owner
January 2009	Interim <i>Digital Britain</i> report published	BERR
February 2009	Publishing proposals on low carbon industry, which will lead to a new low carbon industry strategy later in the year	BERR
February 2009	Announcing the consortium delivering the National Body for Youth Leadership	DCSF
March 2009	Departments have in place cross-government action plans for those with learning disabilities and mental health conditions (as well as other PSA16 groups) employed in the Civil Service	CO, HMRC
April 2009	Pilot scheme to be extended to ensure access to high quality early learning and childcare for two-year-olds	DCSF
April 2009	Programme launched to encourage the most effective teachers into the most challenging schools	DCSF
April 2009	Publishing UKCES five year strategic plan for 2009 to 2014, setting out further details on the periodic strategic skills audit	BERR, DIUS
April 2009	Start of roll-out to expand employer-led Group Training Associations to offer Apprenticeships in their sectors	DIUS
April 2009	Begin introduction of up to 10 new Apprenticeship training associations	DIUS
April 2009	Start to increase the number of Apprenticeships available within public sector	DIUS
April 2009	Strengthening vocational pathways to HE	DIUS
April 2009	Supporting NHS to take measures to employ more people with mental health conditions and with learning disabilities	DH
April 2009	Introducing mentoring for care-leavers and families	DCSF, SETF
April 2009	Launch of v volunteer programmes	OTS

Timing	Action	Owner
Spring 2009	Consulting on legislative proposals to eradicate child poverty	DWP, HMT, DCSF
Spring 2009	Launching a consultation on tackling socio-economic disadvantage	GEO
Spring 2009	Development of sector productivity and progression pilots to test how the provision of sector coordinated training and business support services can boost productivity and help create higher-value job opportunities	HMT
Spring 2009	Start piloting new initiatives in the manufacturing sector and, through London 2012, in the construction sector to ensure more employers will have access to workers with the relevant skills	DIUS
Spring 2009	Establishing a pilot project to assess the effectiveness of online business and enterprise mentor networks for young people and disadvantaged schoolchildren	BERR
Spring 2009	Directly funding the Prince's Trust work with young people in improving entrepreneurship and self-employment by supporting another 100 enterprise ambassadors, in addition to continued funding of enterprise learning in their xl clubs within schools	BERR
Spring 2009	Launching pilot project to develop an online peer-to-peer mentoring network to encourage more women entrepreneurs	BERR
Spring 2009	Commissioning scoping study on simplifying access to financial support for lifelong learning, through roll-out of Skills Accounts	DIUS
Spring 2009	Introducing greater flexibility for FE providers to support learners into sustainable employment and progression in employment	DIUS
Spring 2009	Publishing a cross-government strategy on learning disability and employment	ODI, DCSF, DIUS, DH and DWP

Timing	Action	Owner
Spring 2009	Publishing new Mental Health and Employment Strategy	DWP, DH
Spring 2009	Introducing the New Communities Fund	CLG
August 2009	Launch of Inspiring Community campaigns	CLG, DCSF
Summer 2009	Launch of the findings from the Panel on Fair Access to the Professions (supported by secretariat based in the Cabinet Office)	CO
Summer 2009	Full <i>Digital Britain</i> report published setting out how we can secure the UK's place as the forefront in global digital and communications industries	BERR
September 2009	Start piloting new earned rights for those caring for adults and children (£500 entitlement in Skills Account)	DIUS
September 2009	Trialling targeted training support for low-income families on tax credits	DIUS
September 2009	Introducing world-class teaching profession package	DCSF
September 2009	Working with a group of at least 11 research-intensive universities to begin piloting approaches to increase outreach to talented students from low-income backgrounds	DIUS
September 2009	Improved training support for agency workers	DIUS
Autumn 2009	Consulting, in partnership with UKCES, leading employers and academics about building on our current knowledge of leadership and management development in the UK	BERR, DIUS
Autumn 2009	All HE institutions to have produced widening participation strategic assessments to increase openness and transparency	DIUS
Autumn 2009	Encouraging supported employment and work experience within the new Foundation Learning Tier for those with learning disabilities	DCSF, DIUS
Autumn 2009	Introducing support brokers into existing pilots for those with moderate to severe learning disabilities	DH

Timing	Action	Owner
March 2010	Extending Activity Agreements pilots by six months to March 2010	DCSF
April 2010	National roll-out of mentoring for care-leavers and families starts	DCSF, SETF
Spring 2010	Publish review of financial support for 16- to 18-year-olds	DCSF, DWP, HMT
Spring 2010	Working with a group of at least 11 research-intensive universities to mutually recognise each other's widening participation or "compact" schemes	DIUS
Spring 2011	Roll-out of innovation vouchers to reach a level of 1,000 vouchers per year	DIUS
Autumn 2012	Guaranteeing young people from a low income background with the potential to benefit from higher education a package of support and mentoring to help them reach their full potential	DCSF, DIUS



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