

# Breakthrough Britain 2015

An overview

September 2014



THE CENTRE FOR  
**SOCIAL  
JUSTICE**

## Transforming the British poverty debate

In 2007, the Centre for Social Justice published *Breakthrough Britain*, a report which shone a light on the shocking levels of deprivation that blight communities across the UK. The project transformed the British political landscape, reinvigorated a tired debate on how to tackle poverty and was hailed as a definitive research paper on social problems in modern Britain.

Seven years on, the UK is in a radically different political and economic position – but the need to give a voice to the most disadvantaged people could not be greater. For this reason we have spent the past two years researching *Breakthrough Britain 2015* – a fresh assessment of how the root causes of poverty are continuing to hold back people, communities and families.

This overview document summarises the process that we have followed, the journey we have been on, and the conclusions we have reached.

### Breakthrough Britain: the voice of the people

Seven years ago, having been commissioned by The Rt. Hon. David Cameron MP on his first day as leader of the Conservative party, the Centre for Social Justice (CSJ) published its agenda-defining policy review, *Breakthrough Britain*. It was the result of an unprecedented and independent process that sought to unearth the root causes of poverty in the UK. It was democracy in action. During the course of those 18 months the CSJ travelled the length and breadth of Britain to understand and find solutions to the acute social problems that were ruining lives, weakening the fabric of our nation and holding Britain back.

The 192 recommendations we presented were the culmination of over 3,000 hours of public hearings and evidence from over 2,000 poverty-fighting organisations. Led by the CSJ's Founder, The Rt. Hon. Iain Duncan Smith MP, our team and their expert working groups travelled far and wide: from Glasgow to Brighton, Birmingham to Devon, and London to Manchester. Polling the opinions of almost 50,000 people, *Breakthrough Britain* and its 2006 interim report *Breakdown Britain* gave both a unique anatomy of social breakdown and a plan for how to reverse it. The work provided a remarkable insight into what the British public understood about poverty in our country. It challenged not only the Conservative party, which went on to adopt many of the CSJ's ideas and take them into Government, but also the wider political community and commentariat. The process and its product redefined poverty and how policy-makers should seek to fight it. Most importantly it gave a voice to those who were trapped in disadvantage and to those who help them – the unique movement of community projects, charity workers and volunteers dedicated to rebuilding lives, families and neighbourhoods in our country.

### What we encountered

The picture they painted for us was exceptionally revealing. Despite the longest period of continuous economic growth since the start of the Industrial Revolution – more than 60 quarters – and unparalleled levels of government spending, a proportion of British society

remained cut off from the mainstream.<sup>1</sup> Many of the poorest had become poorer. A group had broken away from the rest of society.

More than four million people of working age were on out-of-work benefits, almost two million children were growing up in workless households, and the number of households in which nobody had ever worked nearly doubled between 1997 and 2008. We saw how poverty had become ingrained generationally with studies showing that social mobility was decreasing not increasing as time went on.<sup>2</sup> We saw how poverty had become ingrained geographically, with around half of people on low incomes living in the most deprived fifth of areas – in one part of Rochdale, even at the height of the boom, 70 per cent of working-age people were out of work.<sup>3</sup> We saw how poverty had become ingrained demographically, with certain groups with a higher risk of poverty growing as a proportion of the population – in particular, lone-parent families.<sup>4</sup> And we saw how poverty had become ingrained educationally with up to one in 10 19-year-olds having no qualifications at all.<sup>5</sup>

The CSJ also demonstrated that these issues were not merely contained in the corners of our towns and cities. Through the crime and disorder that makes even the most affluent neighbourhoods less safe, to the mass public expenditure required to pick up the pieces of breakdown (estimated conservatively at more than £102 billion a year), it was clear that these deep rooted problems come calling to us all.<sup>6</sup>

### The five pathways to poverty

It became apparent that many of these acute social problems – worklessness, family breakdown, educational failure, addiction, serious personal debt – were very closely connected. Wherever we found one problem, we tended to find another. Where we found two we tended to find three, and so on. They were interconnected: we know that a child who experiences family breakdown is less likely to thrive at school. A school leaver who has struggled is more likely to be unemployed often or for long periods, and more likely to get into debt thanks to low or unstable income. Where unemployment and debt took root we saw how people are more susceptible to drifting into drug and alcohol abuse. This was a tragic pattern we encountered continually in people's lives and the charities helping them. Furthermore, the pathways to poverty facilitate an intergenerational transmission of disadvantage. Too often deprivation is destiny for those born into the poorest parts of the UK.

Since our early work of *Breakthrough Britain* these five 'pathways to poverty' have formed the basis of the CSJ's activity and study. They are, as *The Times* noted, the modern equivalent of the 'five giants' identified by William Beveridge in 1942 – colossal burdens that cause huge disadvantage and hold people back.<sup>7</sup>

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1 See the speech by then Chancellor of the Exchequer, Rt. Hon. Gordon Brown MP, to the House of Commons, *Hansard* c321, 17 March 2004, [accessed via: [www.publications.parliament.uk/pa/cm200304/cmhansrd/vo040317/debtext/40317-04.htm#40317-04\\_sprmin1](http://www.publications.parliament.uk/pa/cm200304/cmhansrd/vo040317/debtext/40317-04.htm#40317-04_sprmin1) (01.09.14)]

2 Centre for Social Justice, *Economic Dependency: state of the nation report*, London: Centre for Social Justice, 2006

3 Ibid; Nomis, England and Wales

4 Ibid

5 Ibid

6 Centre for Social Justice, *Breakthrough Britain*, London, Centre for Social Justice: 2007

7 Riddell P, 'This is about more than adding to the blessings of wedded bliss', *Times* 11 July 2007



### Challenging the inadequate political ‘poverty line’ response

What these pathways also showed us was that something had gone wrong in the way in which government tackled poverty. For too long poverty had been treated as a simple numbers game on Whitehall spreadsheets. Government departments, especially the Treasury under Gordon Brown’s chancellorship, became fixated on the relative income poverty line which judges someone to be in poverty if they live in a household with an income that is below 60 per cent of the median.

The spirit of these years was captured by Labour MP David Lammy when he recalled how he had talked to Gordon Brown, as Prime Minister, about knife crime in his Tottenham constituency. David had said that the Government needed to find ways of helping young mothers, who were often single parents without any family to support them, to stop their children drifting into trouble. In answer to the question, ‘What are we doing for these women?’, the PM had responded, ‘Tax credits’.<sup>8</sup>

This narrow fixation with household income, to the exclusion of a wider social understanding, impeded government action to change lives in many areas. Perhaps nothing was more symptomatic of this concern than the failure of our extraordinarily complex benefit system. This system was at best confusing and at worst terribly damaging to people’s lives. As *Breakthrough Britain* and our landmark report *Dynamic Benefits* (2009) showed, the way in which out-of-work benefits were withdrawn as unemployed people entered work acted as an enormous disincentive for them to do so. In some cases, as we highlighted, the poor were hit with marginal tax rates as high as 96 per cent. After running the numbers and holding discussions with Job Centre advisers, we saw that entering work or taking more hours made no financial sense to the overwhelming majority of people who wanted to earn their way out

<sup>8</sup> Lammy D, *Out of the Ashes: Britain after the riots*, London: Guardian Books, 2011



of poverty. Broader still, many who wanted to build stable families, progress into better housing and become more independent of state support were discouraged by a system which punished those positive choices. All over the country we saw, time and time again, how the working-age welfare system came to undermine social stability and personal responsibility. It became a distorted force. Often it fought against the best interests of those in low income, not for them.

Moreover this exemplified something far worse; as a society we had become too tolerant of – and too resigned to – social failure. This was terribly true of addiction policy that, since the 1980s, had been content to prescribe hundreds of thousands of heroin addicts to equally addictive state-supplied substances rather than provide abstinence-based recovery programmes that would help them rebuild their lives. This defeatism defined policy-makers' attitudes towards family breakdown too. The pervasive view of successive administrations appeared to be that after four decades of continuous decline in family stability, mainstream family breakdown had become inevitable, that government was powerless to act and should not interfere. Yet, in truth, government *had* been acting – it was just that its actions had undermined family life at the lower income levels. The Working Tax Credit's couple penalty meant that two-parent couples only received the same amount as lone parents, effectively discouraging two-parent family formation.<sup>9</sup> Similarly the lack of recognition of marriage in the tax system meant that if one spouse decided to stay at home to look after a child, that spouse's personal tax allowance was lost, penalising their marriage.<sup>10</sup>

The inaction of government was no less to blame. For too long, national family policy – insofar as such a thing had existed – had failed to champion the relationship education and support that could have prevented future family breakdown. All these errors reflected the worst failure of all: to acknowledge and act upon the overwhelming evidence that safe, stable and nurturing families were vital for a healthy, stable society.

*Breakthrough Britain* set itself the task of devising policies that would help tackle poverty at its roots, not just by redistributing resources, but by doing so in ways that would alleviate future poverty and unlock the potential of those who were being crushed by it. This, the six working groups showed, could only be done by strengthening families, developing a welfare system that made work pay, building an education system that equipped the most disadvantaged children for future employment, offering addicts ways to become drug and alcohol free, and helping people out of serious debt. A strong family, a stable job, decent education or training, freedom from drugs, drink and unmanageable debt: these, we argued, were worth more and

<sup>9</sup> Centre for Social Justice, *Dynamic Benefits*, London: Centre for Social Justice: 2009

<sup>10</sup> Centre for Social Justice, *Breakdown Britain: Family Breakdown*, London: Centre for Social Justice: 2006

would achieve far more than an extra few pounds a week. For we had seen through those who took people out of entrenched poverty that unless government dealt with the root causes of low income, lives may never truly be changed.

We also set a clear direction for the organisations best placed to turn lives around: charities and social enterprises. When trusted by government, we had seen their unique power and potential. In countless communities, where the public and private sectors were failing, it was these poverty fighters who provided a human touch and new hope.

This approach was underpinned by a rejection of two different concepts of how poverty should be fought. On one hand was a quite moralistic and libertarian view that poverty was a consequence of the individual's personal choices and therefore that its alleviation was virtually the sole responsibility of individuals – this often characterised the approach of Conservative governments. On the other, more associated with Labour governments, was a view that poverty is caused by rigged systems and inequality rather than individuals, and that a bigger government is required to redistribute income, control free markets and rebalance society. Our approach was – and remains – based on the understanding that people must take responsibility for their own choices *but* that government has a vital responsibility to support those who need help. The state, in partnership with people, charities and business, has a vital and positive role to play in building a more socially just society.

## Change takes root: ideas into government

*'The CSJ's landmark report, Breakthrough Britain, has been a major influence on this Government and how we are helping the most disadvantaged in our society.'*

The Rt. Hon. David Cameron MP, Prime Minister

The impact of the work of the CSJ in government has been substantial. Although the full effects of social policy take time to be felt, some obvious progress has been made and is starting to change lives. This has been driven by a cultural shift in government away from a focus on simple targets and processes towards policies that help the most disadvantaged people escape the poverty trap.

### Structural impact

Driving this change has been the new Social Justice Cabinet Committee (SJCC), a major success of this Parliament, which has allowed this Government to embed structurally the agenda right across government. This Committee, whose roots are to be found in work the CSJ undertook before the 2010 General Election, has attempted to ensure that policy concentrates both on the prevention of problems and on building a 'second chance' society. The Social Justice Strategy and related outcomes framework are a radical recasting of Whitehall in the fight against entrenched poverty. These are policies that are beginning to help people recover from their problems, change their lives and become independent, rather than simply maintain them in the circumstances they are in. The CSJ strongly recommends that the next Government retains and strengthens the SJCC, as well as the innovative DWP unit which supports the SJCC.

## Policy impact

The policies that have flowed from this approach are having real results on the ground. Most obvious has been the Government's commitment to overhaul welfare and introduce the system reform of Universal Credit (UC), as designed and recommended by the CSJ. This will mean that most of those taking work will be able to keep more of their money and so greatly increase work incentives. The Government has estimated that this could lead to up to 300,000 additional people moving into work as a result.<sup>11</sup> The cross-party support for this reform looks likely to ensure UC will become the new and important foundation stone of our welfare system.

Similarly, the Work Programme has been introduced offering intensive, specialist support to people who are long-term unemployed to help them overcome their barriers to work. Despite a slow start, most aspects of the Work Programme are now outperforming their targets.<sup>12</sup>

It is unfortunate that these essential changes have taken place against the backdrop of some unhelpful rhetoric. Attempts to create an artificial divide between those in work and the unemployed have backfired and risk undermining the important principles behind the overall programme and playing into the hands of those who oppose reform. It is vital that reforms are defended as primarily saving lives not money, and fighting poverty not claimants.

A remarkable feature of this Parliament has been – despite the economic climate and acute fiscal retrenchment – a dramatic rise in the level of employment to the record high of 30.6 million.<sup>13</sup> At the same time, the number of households in which no one has ever worked has dropped to the lowest level on record, 226,000, down 16 per cent since 2010.<sup>14</sup> The reasons for what has been called 'the jobs miracle' are complex but, according to the Bank of England's Monetary Policy Committee, may be partially due to welfare reforms.<sup>15</sup>

A major social justice initiative has been the Troubled Families programme which has set itself the admirably ambitious task of turning around the lives of 120,000 families by 2015.<sup>16</sup> Not only has this initiative helped get children back into school, reduced crime and anti-social behaviour, and supported people back to work, it has done so by offering whole family support. To May this year, 53,000 families have turned their lives around, crime and anti-social behavior have been reduced, children's education has been improved and more

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11 DWP, *Impact Assessment of Universal Credit*, December 2013, [accessed via: [https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/220177/universal-credit-wr2011-ia.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/220177/universal-credit-wr2011-ia.pdf)] (01.09.14)]

12 DWP, *Work Programme Official Statistics to March 2014*, 18 September 2014, [accessed via: [https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/321518/work-programme-statistical-release-june-2014.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/321518/work-programme-statistical-release-june-2014.pdf)] (01.09.14)]

13 Office of National Statistics, 'Labour Market Statistics, August 2014' [accessed via: [www.ons.gov.uk/ons/rel/lms/labour-market-statistics/august-2014/index.html](http://www.ons.gov.uk/ons/rel/lms/labour-market-statistics/august-2014/index.html)] (01.09.14)]

14 Office of National Statistics, *Working and workless households, 4th Quarter 2004 to 2013*, [accessed via: [www.ons.gov.uk/ons/publications/re-reference-tables.html?edition=tc%3A77-354520](http://www.ons.gov.uk/ons/publications/re-reference-tables.html?edition=tc%3A77-354520)] (01.09.14)]

15 Bank of England, *Minutes of the Monetary Policy Committee Meeting*, 8 and 9 January 2014, [accessed via: [www.bankofengland.co.uk/publications/minutes/Documents/mpc/pdf/2014/mpc1401.pdf](http://www.bankofengland.co.uk/publications/minutes/Documents/mpc/pdf/2014/mpc1401.pdf)] (01.09.14)]

16 DCLG, *Helping troubled families turn their lives around*, [accessed via: <https://www.gov.uk/government/policies/helping-troubled-families-turn-their-lives-around>] (01.09.14)]

people are in work.<sup>17</sup> That the Government has recently announced that it will extend the programme to help 400,000 high risk families is an extremely promising step for the next Parliament.<sup>18</sup>

More broadly, whilst the Government's family policy has, at times, lacked coherence, the decision to create a transferable tax allowance for married couples is extremely welcome. The CSJ has long campaigned for marriage to be recognised in the tax system so as to offer additional support to low-income married couples and send out a clear message that the state values marriage. For this reason, we were



delighted that the Chancellor has announced that a transferable tax allowance for married couples worth up to £200 will be introduced from 2015/16. That said, unless the allowance is increased, we risk tokenism rather than a serious signal that we back the unique stability marriage provides for families.

In education schools have been given a Pupil Premium, as called for by the CSJ in 2007, to help support the learning of poorer pupils who tend to get lower grades than their peers.<sup>19</sup> This targeted work has the specific goal of reducing the attainment gap between poor and more affluent pupils and so improving their future opportunities.

Important steps have been taken to eliminate the 'couple penalty' which saw some couples left worse off together than apart. Two thirds of renting couples with children will be entitled to a higher amount than under the previous tax credits system, with fewer than a fifth seeing a reduction.<sup>20</sup> Encouragingly, the Government has also almost doubled the amount it spends on relationship support to almost £30 million over four years.<sup>21</sup> This is a crucial step in the right direction, though it is still small fair next to the £46 billion annual cost of family breakdown.<sup>22</sup>

In the fight against addiction there have been major steps forward, though sadly more in political rhetoric than change in communities. Drug-free recovery is now a key aim of the Drug Strategy and the public services have accepted the benefit of abstinence-based mutual aid groups like Alcoholics Anonymous, Narcotics Anonymous and SMART recovery meaning that far more

17 DCLG, *Troubled Families programme: progress by June 2014*, London: DCLG, 2014, [accessed via: <https://www.gov.uk/government/publications/troubled-families-programme-progress-by-june-2014> (01.09.14)]

18 DCLG, *Troubled Families programme receives extra £200 million boost*, 24 June 2013, [accessed via: <https://www.gov.uk/government/news/troubled-families-programme-receives-extra-200-million-boost> (01.09.14)]

19 DfE, *Raising the achievement of disadvantaged children*, 16 July 2014, [accessed via: <https://www.gov.uk/government/policies/raising-the-achievement-of-disadvantaged-children/supporting-pages/pupil-premium> (01.09.14)]

20 DWP: *Impact Assessment of Universal Credit*, December 2013, [accessed via: [https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/220177/universal-credit-wr2011-ia.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/220177/universal-credit-wr2011-ia.pdf) (01.09.14)]

21 DfE, *Relationship Support Interventions Evaluation*, January 2014, [accessed via: [https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/275240/RR315\\_-\\_Relationship\\_Support\\_Interventions\\_Evaluation\\_210114.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/275240/RR315_-_Relationship_Support_Interventions_Evaluation_210114.pdf) (01.09.14)]

22 Centre for Social Justice, *Fractured Families*, London: Centre for Social Justice, 2013

people are being referred to these services. Yet the culture of methadone prescription still prevails, consigning over a hundred thousand people to long-term state-sponsored dependency.



To help more people who are struggling with debt, the Government has helped Credit Unions lend to more people by allowing them to raise their interest rate cap, relax their membership requirements and pay interest on deposits – all things the CSJ proposed before the last Election.

The potential of the third sector has been hugely expanded by the creation of Big Society Capital, the first ever social investment institution of its kind in the world. Fuelled by £600m of funding, it promises to create a ‘third pillar’ of financing for social ventures, alongside traditional giving and funds from the state. Debilitating Criminal Record Bureau checks have been overhauled to help more people volunteer; the Endowment Match Challenge has helped spur donations to community foundation endowments, and £40 million has been spent helping medium-sized charities grow their sustainability.<sup>23</sup> However, whilst the introduction of payment-by-results schemes for some government programmes has huge potential, the model rarely works for smaller charities, who will need different means of engaging with the provision of public services.

The Home Office, in response to the CSJ’s report *It Happens Here*, has also introduced a Modern Slavery Bill to combat the ultimate state of impoverishment. This Bill will co-ordinate government action against the perpetrators of this dreadful crime as never before, helping Britain to lead the struggle against the illegal slave trade just as we led the fight against the legal slave trade in the nineteenth century.

Finally, a reform with real potential to change how government behaves has been the proposed changes to the child poverty measure. The current metric, based on an arbitrary relative income measure rather than the root causes of poverty, is long due for an overhaul, so it is unfortunate that change does not appear to be coming in this Parliament. We have high hopes that the next Government will return to this issue.

## Breakthrough Britain 2015

Clear progress has been made but even those currently in office would recognise that there is so much more left to do. In relation to each of the pathways to poverty, and the social sector, an incoming Government should seek increasingly radical programmes. Some reforms that we are proposing represent the next phase for revolutions already underway, others, like

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<sup>23</sup> Office for Civil Society, *Consultation on a new fund to support the sustainability of voluntary, community and social enterprise sector organisations*, 1 May 2014 [accessed via: [https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/307866/Sustainability\\_Fund\\_Consultation\\_Document\\_1\\_May\\_2014.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/307866/Sustainability_Fund_Consultation_Document_1_May_2014.pdf) (01.09.14)]

an alcohol Treatment Tax to fund rehabilitation or commitments to increase family stability, would mean finally getting to grips with the scale of the challenge the country faces.

For this reason we have spent the past two years researching *Breakthrough Britain 2015* – a fresh assessment of how the five pathways are continuing to hold people, families and communities back. Following on from our six 'state of the nation' reports last year, over the past few months we have published recommendations to all political parties, again showing how people can be helped back to work, families kept together, educational achievement improved, addiction and personal debt relieved.

## Democracy in action

These six policy reports are the culmination of an extraordinary process. Over the past two years we have:

- Travelled over 50,000 miles;
- Conducted nearly 150 evidence hearings with leading experts;
- Visited almost 1,000 poverty-fighting charities and projects;
- Held over 2,000 external meetings with specialists;
- Polled 6,000 members of the public;
- Looked to countries around the world for examples of good practice.

No other UK think-tank can claim to be as connected to those they serve, or as rooted in the experience of experts as the CSJ. No other report in recent times has taken such a comprehensive approach to understanding, analysing and proposing ideas.

Through our 350-strong poverty-fighting alliance of charities we have travelled tens of thousands of miles around the country, visiting our most deprived communities – from Rhyl to Rochdale, from Margate to parts of Manchester, from Great Yarmouth to Glasgow – to discover first-hand what is fuelling poverty. We have again carried out extensive public polling, conducted several thousand meetings with charities, frontline workers and policy experts, and heard from huge numbers of people struggling to get their lives back on track. For further inspiration we have looked abroad, learning lessons from successful projects around the world including those in Australia, the Netherlands, numerous US states, Ireland, and Singapore.

As well as our own highly committed staff, the CSJ has recruited exceptional specialists in each of the six areas to be on working groups who have met regularly and taken evidence from those who understand the problems best. These dedicated individuals have used their extensive knowledge and contacts to ensure our research is relevant, focused and influential.

Throughout this process we have constantly been given heart by the remarkable work people are doing to help rebuild the lives of those who have become trapped in poverty. The practical solutions presented in these reports are grounded in their experiences and they are a call to politicians to ensure that the next Government continues the fight against poverty by tackling it at its roots.

## The plight of the people

What we have seen and heard has again shocked and inspired us.

We have heard from community workers who have seen three generations of the same family out of work and where local employers fly workers in from Portugal because they cannot find people with basic skills.

We have been to communities where nearly three quarters of children are growing up without their father at home.

We have been to schools where it is normal for parents to turn up drunk and fight at the school gates and where dealers stash drugs in the school hedge.

We have met people stuck on methadone for 20 years and a man who has lost one kidney to drug abuse and now has the other only functioning at 15 per cent.

We have spoken to people who have tried to take their own lives because they could not face their spiraling debt.

And we have been told of children so neglected by their parents that all their teeth had rotted away.

These are only small snapshots of what is wrong but they reflect the wider problems with which the country is still grappling.

There can be no doubt that there is very much further for us to go as a country. It is still the case that:

- Some neighbourhoods have more than 67 per cent of working-age people claiming out-of-work benefits;<sup>24</sup>
- 1.6 million children are growing up in households where no one is in work;<sup>25</sup>
- About one million children have no meaningful contact with their fathers<sup>26</sup> – a 16-year-old today is more likely to own a smart phone than have a resident father;<sup>27</sup>
- The UK is ranked third of the 29 most developed countries in terms of teenage fertility;<sup>28</sup>
- 40 per cent of the poorest children leave primary school functionally illiterate and innumerate;<sup>29</sup>

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24 Nomis (England and Wales), estimates using Census 2011 data and August 2012 DWP benefit data

25 Office of National Statistics, *Percentage of workless households falls to lowest level since 1996*, 28 August 2013, [accessed via: [www.ons.gov.uk/ons/rel/lmac/working-and-workless-households/2013/sty-percentage-of-workless-households.html](http://www.ons.gov.uk/ons/rel/lmac/working-and-workless-households/2013/sty-percentage-of-workless-households.html) (01.09.14)]

26 Centre for Social Justice, *Fractured Families*, London, Centre for Social Justice: 2013

27 This figure is compiled from the analysis of two datasets: Office of National Statistics, 2001 Census, ONS, 2001 [accessed via: [www.ons.gov.uk/ons/guide-method/census/census-2001/index.html](http://www.ons.gov.uk/ons/guide-method/census/census-2001/index.html) (3.7.14)] and Understanding Society: The UK Household Longitudinal Study [accessed via: <https://www.understandingsociety.ac.uk> (3.7.14)]. It compares parental status at birth with parental status at the age of 15. All future projections build on the assumptions in the Appendices to Benson H, *The myth of 'long term stable relationships' outside marriage*, Cambridge: Marriage Foundation, 2013; Ofcom, *Children and Parents: media user and attitudes report*, 2013

28 UNICEF, *Child well-being in rich countries: a comparative overview*, Innocenti Report Card 11, April 2013

29 Department for Education, *GCSE and equivalent results in England 2012/13*, London: Department for Education, 2014

- 72 per cent of poor white British boys leave schools without five good GCSEs including English and Maths;<sup>30</sup>
- A quarter of all adult offenders re-offend within 12 months;<sup>31</sup>
- 8.8 million people are over-indebted;<sup>32</sup>
- More than eight million households have no savings at all.<sup>33</sup>

## A programme for government in 2015

Through *Breakthrough Britain 2015* the CSJ has presented a wide-reaching policy programme for social reform for the next Parliament. Through more than 192 policy recommendations we have focused on designing policy solutions which will prevent problems developing where possible, ideas for how policy-makers should intervene early when problems do develop in people's lives and recommendations for bringing transformative help to those already in considerable difficulty. Based on these three factors and within our core six themes – the five pathways to poverty and the social sector – we have set out some key objectives for 2015 and beyond.

In order to **nurture strong and stable families** in our most difficult communities and to put this, rightly, at the heart of a social justice policy programme we present many recommendations including:

- The creation of a network of local Family Hubs to replace Sure Start Children's Centres and put vital services under one roof. They would be one stop shops for parenting and relationship support, birth registration and early years care as well as referrals to supporting agencies helping more troubled families;
- Measures to increase father involvement, including changes to birth certificates and the child maintenance system;
- Much stronger support for commitment by increasing the allowance available to transfer for married couples and relationship courses for couples;
- Reforms to the Troubled Families programme and the way we support households with complex needs;
- Fresh and co-ordinated political leadership for Whitehall through a Secretary of State for Families.

To **create a competitive British workforce and a more effective welfare system** so that individuals and families are no longer left behind in our economy we suggest, amongst other things:

- The introduction of a new 'youth offer' to provide an all-out assault on youth unemployment from primary school to the Job Centre. This would include coaches and mentors at school

30 Department for Education, GCSE and equivalent attainment by pupil characteristics, London: Department for Education, 2014

31 Ministry of Justice, Proven reoffending statistics: October 2011 to September 2012, London: Ministry of Justice, 2014 [accessed via: <https://www.gov.uk/government/statistics/proven-reoffending-statistics-october-2011-to-september-2012> (01.09.14)]

32 The Money Advice Service, *Indebted Lives: the complexities of life in debt*, London: The Money Advice Service, 2013

33 DWP, Family Resource Survey 2011/2012, DWP, 2013, Table 2.8

- for those at high risk of being NEET, a UCAS style system for school leavers, and a Community Wage scheme to train long-term unemployed young people;
- Reforms to Job Centre Plus by moving from measuring 'off-flow' from benefits to measuring numbers moving into sustained work. We also call for more tailored advice and increased competition for back-to-work support;
- Priority on lists and cash grants for those in social housing who want to move for work.

In the quest **to ensure the poorest children receive the best education our state system can possibly offer**, thereby closing the intolerable gap between 'haves' and 'have nots' in our school system, we call for:

- The creation of a national programme of school improvement to bring the best providers, headteachers and teachers to the most disadvantaged areas. This would see:
  - The best academy chains incentivised to work in poor areas with low results;
  - Headteachers offered a two-year inspection holiday to give them time to turn schools around; and
  - An exciting new National Teacher Service Scheme to post dynamic teachers to the schools that need them;
- Regional Schools Commissioner Boards to support school improvement and broker connexions between weak schools and high performing schools who have successfully dealt with similar challenges;
- Encourage high performing primary schools in disadvantaged areas to offer nursery classes and take over failing Sure Start centres to improve help for the poorest children before they start formal schooling;
- A new generation of boarding places for the most disadvantaged children from chaotic homes to offer them stability.

To **end the drug and alcohol addiction** that ruins lives, destroys families, fuels crime and generates significant public expenditure we argue for:

- The pursuit of full recovery through a Treatment Tax to raise more than £1 billion to fund an expansion of abstinence based rehabs for addicts;
- Action, based on success in Ireland, to close the high streets shops selling 'Legal Highs';
- The tightening of welfare conditionality and the testing of 'restricted cash cards' for addicts who rely on benefits but refuse to seek help;
- Effective screening in hospitals, Job Centres and elsewhere to identify those with a drug or alcohol problem.

To **get to grips with the pernicious personal debt culture** which rips into the poorest families apart and torments people to despair we propose:

- A network of new 'Community Banks' to provide ethical credit for those otherwise forced into the arms of exploitative high cost lenders;
- Measures to build a savings culture, such as an auto-enrolment saving scheme for employees;
- More community-based debt advice to help those considering new debt or already in serious trouble.

And to **unlock even more potential within our country for charities, faith groups and social enterprises** to change lives in a climate where they will be required to deliver more for less, we urge politicians to:

- Set up a Social Innovation Fund modelled on the successful US initiative of the same name. Too often funding simply flows to what is already proven, this fund would specifically support highly promising social sector organisations that need to develop. By drawing on the £400 million of dormant insurance policies, the next Government could fuel a new generation of social innovation;
- Reform TUPE regulation which prevents small- and medium-sized charities from taking on public sector contracts;
- Map the social sector so that investors and those starting charities can see what is (and is not happening) in each area and gear their action around it.

## Social justice in 2015: calling all politicians

Economic growth is returning to the UK and progress is being made in regards to social reform. Amidst very tough and hostile economic conditions the Coalition, to its credit, has chosen to prioritise a social justice programme that could easily have fallen by the wayside. By reforming schools and welfare, by choosing to help those furthest behind in society through rehabilitation, debt and early years programmes, and by overseeing a remarkable jobs explosion, there is now better focus on the root causes of social injustice and social immobility across Whitehall.

But this is a long-term project – change may come slowly to many of the lives now in focus. In this regards it has been unsurprising to us that during the course of this work we have seen how the social and economic backdrop remains challenging. We know some communities are yet to feel the benefits of reforms and undoubtedly numerous people are ‘squeezed’ and struggling as they try to make ends meet. It is also true to say that the implementation of some of the Government’s reforms, inevitably, has not been flawless, or in fact as radical as we would have liked in some instances. There is also much more work to be done to help people in employment but who remain below the poverty line – these new efforts should focus on dealing with the root causes of the rising cost of living, especially insufficient house building, and the many people who end up stuck in low pay and temporary jobs. But the CSJ’s mission is and will remain the most disadvantaged and removing the acute social problems which hold them back.

From here it is essential that these social justice reforms gather momentum. The communities left behind during the last economic recovery are living lessons for policy-makers as we move into the next upturn. Thanks in part to poor public policy, hundreds of thousands of people who could have played a part in the British economy during the last period of growth watched it pass them by. An uncompetitive entry-level workforce, a broken benefits system, chaotic family life, poor schooling, drug and alcohol addiction and severe debt pressures held too many people in our toughest neighbourhoods back last time. In parts of the UK disadvantage became extraordinarily entrenched. As a result, working-age welfare spending ballooned and, too often, job creation benefited those who came from overseas to meet the demand in our economy and to better themselves. This wasteful cycle cannot be allowed

to repeat itself again as growth returns. We cannot allow it to pass over the people and communities that need it most.

During a parliament that may be heavily dominated by unfolding international crises, intense deliberations about Britain's relationship with the European Union, further deficit reduction and the fall-out from the imminent referendum about Scottish independence, the importance of political parties remaining committed to the necessary social justice reforms we have outlined cannot be overstated.

Two political factors should, however, ensure that considerable that attention is given to those struggling in our society. During the next parliamentary term the UK will rush towards the 2020 deadline for abolishing child poverty. As narrow and flawed as the Child Poverty Act 2010 was, and as frustrating as the Coalition's inability to formally agree a new set of poverty measures has been, the next Government will have to take significant action ahead of the deadline. We all know that mass income transfers are neither possible nor desirable – they do not tackle root causes – so the effort to help struggling families will have to become truly societal.

Essential to all of this should be the adoption of a new measure of poverty. The Coalition has made clear it does not consider the current measure credible, but it has failed, in spectacular public fashion at times, to agree a new way forward. We therefore call on an incoming Government to finish the job and publish new measures – not to 'move the goalposts' for political purposes as some critics have wrongly claimed, but to recast Whitehall and public policy to become much more effective at fighting the forces which cause poverty and lock people in it. This would mean the State is well-placed to identify those at risk of poverty, those who need substantial help to escape poverty, and those who are already on the right trajectory but may still require some form of support or intervention finally to break free.

That pressure to find new solutions to child and adult poverty will be intensified by a new overall Annually Managed Expenditure welfare cap, which the Coalition has introduced in an attempt to retain long-term control of and accountability for national social security expenditure. It remains to be seen how significant this cap will prove during the course of the next Parliament, particularly in relation to whether failure to remain within budget will spark the political and public pressure its designers anticipate. Regardless of its specific framework however, a new cap should focus the minds of policy-makers on reducing people's demand for and reliance on welfare. This should force politicians to understand and seek to reduce at root the billions they spend each year subsidising the living costs of people who are in work, for example rocketing rental prices and low pay and progression. It should also send them towards the programme of reforms we are outlining in *Breakthrough Britain 2015*.

These are ideas which will help people to move out of entrenched poverty and long-term dependence on the state. There can be no 'hit and hope' approach to controlling the welfare budget. Either salami slicing budgets or pretending that growth will automatically reduce spending on benefits miss the essential point: only life change can reduce dependency on the state in the longer term. This means that our ideas cannot be placed in the 'nice to do' box – they are imperative on political and economic grounds.

Throughout this process we have constantly been given heart and hope by the remarkable work people are doing to help rebuild the lives of those who have become trapped in poverty. These life-changers are often unseen, rarely thanked, poorly paid (if paid at all) and battling every day to find the money to continue their necessary work. But still they get on with the quiet work of transformation. They believe in people most of us have written off. They refuse to assume these are other people's problems. In truth they are working to put themselves out of business. So we stand with them and those they help. And it is on their behalf that we are calling to politicians to ensure that the next Government continues the fight against poverty by hacking away at its roots.



We are enormously grateful to our expert working groups chaired so brilliantly by Baroness Stedman-Scott, Avril McIntyre, Sir Robin Boshier, Noreen Oliver, Chris Pond and Danny Kruger, and to our in-house researchers, Dr. Samantha Callan, Tom Wardle, Rupert Oldham-Reid, Jos Henson, Lee Davis, Caitlin Devereux, Harriet Crawford, Mark Duncan, Dr. David Marjoribanks, Dr. James Mumford and Annette Periera. Their commitment and hard work has underpinned all that has been done. Likewise we have a huge debt of gratitude to all those who have supported the research and made it possible.

We offer our new 192 recommendations to those with the power to make change happen. We have covered the country in the search of the best solutions to social breakdown. The decision-makers can be assured that the practical solutions presented in our *Breakthrough Britain 2015* reports are grounded in the experiences of those who live with and alongside poverty.

It was the celebrated social reformer and parliamentarian William Wilberforce who once said: 'you may choose to look the other way, but you can never again say that you did not know.' For decades too many in Westminster have looked the other way or kicked these tough social challenges down the track. That has to change for good. Lives depend on it.

**Christian Guy, Director**

**Alex Burghart, Director of Policy**

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