

The Changing Welfare State

Opportunity for all

Tackling poverty and social exclusion

in childhood



in work



in retirement



in the community



A Summary of the First Annual Report 1999

This document is a summary of the Government's First Annual Report on tackling poverty and social exclusion. The full report ***Opportunity for all – tackling poverty and social exclusion*** (September 1999, Cm 4445) is available from The Stationery Office, price £17.00.

The paintings featured in this summary were created by the children of Vicarage Primary School, East Ham and St John's Meads Church of England School, Eastbourne.

Foreword



When we came into office, we inherited a country where one in five children lived in a household where no one worked, thousands left school without basic skills, and three million working-age people were out of work and had been dependent on benefits for over two years.

For many people, the past two decades have brought rising prosperity and widening opportunities. But far too many individuals, families and communities have not shared in the benefits of economic growth. And for many, disadvantage has been passed from generation to generation as children inherit poverty from their parents before passing on this debilitating legacy to their own children.

It is that injustice and waste that the Government is determined to tackle. It is morally wrong and economically foolish to allow a whole generation to be written off. You can't choose between a successful and stable economy on the one hand, and confronting poverty and its causes on the other. Fairness and enterprise go hand in hand. That is why we have set some demanding goals to make Britain a better place to live in the next century.

In particular, the Prime Minister has set out our aims of eradicating child poverty within 20 years, of confronting the waste of long-term unemployment, and of bringing deprived neighbourhoods up to the standards that the rest of Britain takes for granted – cutting crime, increasing employment, improving health and housing.

These are ambitious goals. But there is a determination across government to achieve them – through radical reform where necessary.

That means:

- making sure that **all** children are given a decent start in life and that our education system is world class;
- ensuring that our social security and employment systems play an **active** role in helping people who can work to do so, whilst protecting those who cannot;
- making sure that pensioners are given **opportunities** to enjoy active and fulfilling retirement years, and that they are given the support they need to remain in their own homes for as long as possible; and
- building thriving communities, in which **all** our citizens can enjoy a decent quality of life wherever they live, through effective, efficient and co-ordinated policies across all government agencies.

We all have a part to play in this. Government can create the economic conditions for growth, as well as providing services and investing to tackle social problems.

But the Government cannot solve problems alone. We need to work with people to encourage them to help themselves, with businesses in the regeneration process and in the drive to get people back to work. And we need to work in partnership with those with expert knowledge of particular problems and the needs of particular areas. That means building much closer links between central government and local authorities, and with voluntary sector organisations.

Our programme of constitutional reforms, bringing democratic control closer to the people, gives us the opportunity to build new partnerships between the Government and the devolved administrations to tackle poverty and social exclusion. This is an opportunity for us to learn from one another, and enhance our abilities to tackle the problems that we all face.

We face a massive task. The problems of poverty and social exclusion have built up over a long period – it will take a long time to put this right.

We have made a sound start – investing more to improve the health service, to drive up standards in education, targeting extra help on the most vulnerable in society through tax and benefit reform, and taking action to tackle problems such as teenage pregnancies. We have put particular emphasis on investing in education and on increasing opportunities, recognising that these are the best ways to achieve a lasting impact on poverty.

The right policies are the policies that work. We will continue to listen to people on the ground, including people who are themselves living in poverty, to make sure our policies are having the right effect.

We are prepared to be judged on results. In this, our first Annual Report on tackling Poverty and Social Exclusion, we set out a range of indicators against which we chart our progress.

We are proud of what we have achieved so far, but we also know there is a long way to go. Our goals are ambitious. But with determination, and a willingness to work together, we can make the vision of a fairer Britain a reality.

A handwritten signature in blue ink, appearing to read 'Alistair Darling', with a small dot at the end.

Alistair Darling
Secretary of State for Social Security

We're making a start – we're tackling the causes of poverty and improving opportunities for all



OUR GOAL

The Government believes that everyone should have the opportunity to achieve their potential. But too many people are denied that opportunity. It is wrong and economically inefficient to waste the talents of even one single person.

Our aim is to end the injustice which holds people back and prevents them from making the most of themselves. That means making sure that all children, whatever their background and wherever they live, get a first class education, giving them the tools they will need to succeed in the adult world. And it means making sure that children can live and play in clean, safe environments, and that the community in which they live is thriving and supportive. Put simply, our goal is to end child poverty in 20 years.

The Government is committed to tackling poverty and its causes. The report sets out the scale of the problems we face, and our strategy to tackle them. We have set ourselves challenging goals, which we know cannot be easily or quickly achieved. But we have made a strong start. And we are prepared to be judged on results. We list the indicators against which we will monitor our progress at the end of this summary.

THE CHALLENGE FACING THE GOVERNMENT

Over the past two decades, inequality and its visible impact in the UK have increased dramatically. Major economic and social changes have contributed to this process and to escalating problems in the most deprived communities. In the past, policies have often been slow to react, and unco-ordinated in the solutions they sought to offer. The result: too many people are poorer than they should be, and dependent on benefits when they need not be.

- The proportion of people living in households with relatively low incomes more than doubled between the end of the 1970s and the beginning of the 1990s.

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- Nearly one in five working-age households has no one in work.
- The poorest communities have substantially more unemployment and experience higher levels of poor housing, vandalism and crime.

Poverty and social exclusion are complex, multi-dimensional problems. The problems we face are many:

- **Lack of opportunities to work** – work is the most important route out of low income. But the consequences of being unemployed go wider than lack of money. It can contribute to ill-health and can deny future employment opportunities.
- **Lack of opportunities to acquire education and skills** – adults without basic skills are substantially more likely to spend long periods out of work.
- **Childhood deprivation** – with its linked problems of low income, poor health, poor housing and unsafe environments.
- **Disrupted families** – the evidence shows that children in lone parent families are particularly likely to suffer the effects of persistently low household incomes. Stresses within families can lead to exclusion; in extreme cases to homelessness.
- **Barriers to older people living active, fulfilling and healthy lives** – too many older people have low incomes, lack of independence and poor health. Lack of access to good-quality services are key barriers to social inclusion.
- **Inequalities in health** – health can be affected by low income and a range of socio-economic factors, such as access to good-quality health services and shops selling good-quality food at affordable prices.
- **Poor housing** – directly diminishes people’s quality of life and leads to a range of physical and mental health problems, and can cause difficulties for children trying to do homework.
- **Poor neighbourhoods** – the most deprived areas suffer from a combination of poor housing, high rates of crime, unemployment, poor health and family disruption.
- **Fear of crime** – crime and fear of crime can effectively exclude people within their own communities, especially older people.
- **Disadvantaged groups** – some people experience disadvantage or discrimination, for example on the grounds of age, ethnicity, gender or disability. This makes them particularly vulnerable to social exclusion.

Complex, multi-dimensional problems creating a cycle of disadvantage.

The poorest communities have substantially more unemployment and experience higher levels of poor housing, vandalism and crime.

These factors act together to create a cycle of disadvantage. The effects can persist throughout people's lives. Deprivation in childhood can lead to low educational achievement and on to worse outcomes in adulthood and to poverty and social exclusion in old age. And these effects can be passed between generations. The result is socially divisive and economically inefficient.

A NEW APPROACH

In the past, attempts to deal with these issues often focused on short-term, piecemeal solutions. Huge sums were spent dealing with **immediate** problems, very little on preventing problems occurring in the **future**. Our approach is radically different. We are putting in place new solutions to old problems, working together with all sectors of society and through better working throughout government. We are:

- **tackling the causes** of poverty and social exclusion, not just the symptoms;
- creating a **fairer** society in which everyone has the **opportunity** to achieve their full potential; and
- **investing** in individuals and communities to equip them to take control of their lives.

We know that poverty and social exclusion are deep-rooted problems. This means we need:

- **long-term solutions which will pass the test of time.** We are willing to test out ideas, reject what fails and build on success. Many of the projects which we describe in this report are being introduced on a pilot basis so we can check what works best;
- **flexible action geared to local needs.** The case studies in the report illustrate the imaginative approaches being taken which have made a real difference to individuals' lives across the UK; and
- **'joined-up' government,** making sure that all our different departments and programmes are **working together** to combat the multiple problems faced by individuals and communities.

PARTNERSHIP

Our strategy is not just about government action. It is based on partnership – because real progress can only be achieved by working together. Central and local government, the voluntary sector, business communities and individuals all have vital roles to play. For too long, solutions to problems have been developed at arm's length from the individuals and communities which experience them. We are breaking down organisational and institutional barriers to create imaginative approaches to problems ranging from truancy and teenage pregnancy to rough sleeping and drug and alcohol misuse.

Creating a fairer society in which everyone has the opportunity to achieve their full potential.

Long-term, flexible and joined-up solutions to tackle the problems.

Real progress can only be achieved by working together.

DEVOLUTION

Devolution will have a major impact on the future development of policies in this field. We will work closely with the devolved administrations to tackle the problems we all face. The Government looks forward to building new partnerships in tackling poverty and social exclusion with the devolved administrations, and believes that we can learn from each other as we test new approaches to similar problems.

ACTION ACROSS THE UK

In every part of the UK, we are determined to deal with the problems of social exclusion and its causes.

- The **Scottish Social Inclusion Strategy** sets out a programme of work which is being taken forward by action teams, including development of a package of indicators covering devolved areas as a basis for monitoring success.
- The policy statement **Building an Inclusive Wales** sets out plans to produce an annual report monitoring changes in the key indicators of exclusion in Wales.
- In Northern Ireland the **New Targeting Social Need** initiative aims to tackle social need and social exclusion by targeting efforts and available resources on the most disadvantaged people, groups and areas.
- The **Social Exclusion Unit** in England is tasked with improving understanding of the key characteristics of social exclusion, and the impact of government policies, promoting solutions and making recommendations for change.

MONITORING OUR PROGRESS

We are prepared to be judged by results. There is no one single measure of poverty or of social exclusion which can capture the complex problems which need to be overcome. In the report we therefore set out a broad range of success indicators against which progress will be monitored. It will take time to bring about fundamental change. But alongside the indicators in the report are 'policy milestones' which outline key dates in our strategy.

We will continue to review and develop the indicators, making sure they remain relevant and provide the best possible information – information we need to formulate policy to ensure the most successful results possible. Scotland, Wales and the proposed devolved administration of Northern Ireland will develop their own policies and indicators in areas for which they are responsible, to reflect their countries’ particular circumstances and the needs and wishes of their people.

Here we set out the approach we are taking to tackle poverty as it affects children and young people, people of working age, older people and disadvantaged communities.

CHILDREN AND YOUNG PEOPLE – BREAKING THE CYCLE OF DISADVANTAGE

The key to tackling disadvantage in the future is the eradication of child poverty. Children who grow up in disadvantaged families generally do less well at school, and are more likely to suffer unemployment, low pay and poor health in adulthood. This poverty of opportunity is then more likely to be experienced by the next generation of children. Breaking this cycle is at the heart of our strategy for tackling poverty and social exclusion. That is why the Prime Minister has made it our aim to create a fairer society, within the next two decades, in which no child lives in poverty. We need to break the cycle of deprivation, to stop it being transmitted through generations.

Our policy priorities

- Ensuring that all children get a high-quality education wherever they go to school and providing additional help to children in the crucial pre-school years.
- Combating family poverty and social exclusion through our policies to tackle worklessness, increasing financial support for families and improving the environment in which children grow up.
- Supporting vulnerable young people, especially in the difficult transition from childhood to adult life.

Children who grow up in families which have experienced financial difficulties are, on average, less likely to stay on at school, have poorer attendance records, and are up to ten percentage points more likely to have no qualifications at age 23.

What we are doing – our key initiatives

- **Investment in early years** – £540 million to help vulnerable children make the best possible start in life. We are doing this through a range of initiatives including Sure Start in England and Wales, and Family Centres in Scotland. These programmes will bring together early education, health services, family support and advice on nurturing to disadvantaged families with children aged under four.
- **An additional £19 billion invested in education to raise standards.**
 - ◆ Improving **literacy and numeracy** is at the heart of our drive to raise standards. We have already seen a significant improvement in literacy and numeracy test results for 11-year-olds.
 - ◆ £500 million to reduce **exclusion and truancy**. We have already seen some improvement: the number of exclusions fell by 3 per cent in the last school year.
 - ◆ **Education Action Zones** in England will bring together schools, businesses, local authorities and communities to find innovative ways of improving education in a cluster of schools.
 - ◆ **New Community Schools** is a £26 million investment in Scotland which will provide integrated support to children and families to meet their needs and address barriers to learning.
- **Extra help for families through the tax and benefits system.**
 - ◆ The **Working Families' Tax Credit** replaces Family Credit and will provide extra help to 1.5 million families from October 1999. It will generate a minimum income of £200 a week to working families with children.
 - ◆ 1.25 million people, including 800,000 children, will be lifted above half average income by measures announced in Budget 98 and Budget 99.
- **Supporting Families.**
 - ◆ Through the **National Childcare Strategy** we are investing £470 million to ensure good-quality, affordable childcare for children aged 0–14 in every neighbourhood in England.
 - ◆ We have set up a **Ministerial Group on the Family** to help develop policies which affect families with children, and to co-ordinate family policy across government departments. Our consultation document *Supporting Families* (November 1998, Home Office) sets out the key principles for putting children's interests first and supporting parents in the challenging role of bringing up children.

- ◆ We are introducing a fairer framework of **family-friendly employee rights** including new rights to parental leave and extended rights to maternity benefits, which will help parents combine family and work responsibilities.
- **Reducing teenage pregnancy** – the Social Exclusion Unit’s recent report on *Teenage Pregnancy* (June 1999, Cm 4342) sets out a programme of action to halve the rate of teenage conceptions by 2010, and increase the proportion of those who are teenage parents, in education, training or employment.
- **Quality Protects** – a £375 million programme to improve the health and education of children being looked after by social services, and to improve their opportunities when leaving care.
- Improving participation and achievement in learning by **16–18-year-olds**. Implementing the strategy outlined in the Social Exclusion Unit’s report *Bridging the Gap: New Opportunities for 16–18-year-olds not in education, employment or training* (July 1999, Cm 4405) through the new **ConneXions** initiative and piloting **Educational Maintenance Allowances** that will target financial support to young people from low-income families who might otherwise be excluded from learning. Together these initiatives will help all 16–18-year-olds realise the opportunities available to them.

Together these initiatives will start to target help for disadvantaged children, tackle family poverty and help children to lay the foundations for a secure and fulfilling future.

PEOPLE OF WORKING AGE – WORK FOR THOSE WHO CAN, SECURITY FOR THOSE WHO CANNOT

In order to eradicate child poverty we need to provide opportunities for their parents to work. For most people of working age, the best way to avoid poverty and social exclusion is to be in paid work. But the enormous economic and social changes of the past 50 years – the reduction in demand for unskilled labour, the changing nature of employment patterns and family structure – have left key groups in society stranded and unable to compete in the labour market.

Many people face barriers to full participation in society – some as a result of discrimination, others are more vulnerable to poverty and social exclusion because of poor health, or they are marginalised through homelessness or drug misuse. Disadvantage has been compounded through poor access to a full range of appropriate support services. Co-ordinated and imaginative action to tackle these barriers is at the heart of our strategy to reduce social exclusion.

The proportion of working-age households where no one has a job has doubled since 1979. Lone parents, older workers, people from some ethnic minorities and people with disabilities are at particular risk of being out of work.

Opportunities
for people
to work,
to learn,
to maximise
their potential
and make
an active
contribution
to society.

Our policy priorities

- Building a proactive welfare system to help people into work.
- Making work pay.
- Promoting lifelong learning to ensure people have the skills and education to respond to the modern labour market.
- Supporting vulnerable groups and those most at risk of discrimination and disadvantage.

What we are doing – our key initiatives

- **Helping people into work.**
 - ◆ The new **ONE** service is being piloted in a total of twelve areas. Four started in June 1999, with plans for a further eight from November 1999, at a cost of £79.5 million. They will focus on the specific needs of people finding work. ONE will involve closer working between the Benefits Agency and the Employment Service, providing everyone with personal advice to ensure they understand the options available to them.
 - ◆ Our £5 billion New Deal programme is helping workless people to compete for jobs in the open labour market. It includes six New Deals: for young people; for long-term unemployed people aged 25 and over; for the over-50s; for the partners of unemployed people; for people with disabilities; and for lone parents.
 - over 300,000 people have joined the **New Deal for Young People**, of whom 123,000 have found jobs (91,000 have been employed for 13 weeks or more).
 - 19,000 people have found jobs through the **New Deal for Long-term Unemployed People aged 25 and over** (16,000 of them have been employed for 13 weeks or more).
 - 21,000 lone parents have found jobs through the **New Deal for Lone Parents**.
 - ◆ We are launching **Employment Zones** to improve opportunities for the long-term unemployed in the poorest areas. They will be fully implemented in April 2000. They will include Personal Job Accounts, which will help long-term unemployed people aged 25 and over in a variety of ways. This includes helping those who want to set up their own business.
 - ◆ The **New Futures Fund**, launched in May 1998, is a unique initiative in Scotland to provide intensive support and help for young people suffering from serious disadvantage in looking for work.

- **Making work pay** – the new **10p rate of income tax** from April 1999 will halve the rate of income tax for 1.8 million workers. The **National Minimum Wage** will boost the hourly wage of almost two million low-paid workers by an average 30 per cent.
- **Lifelong learning** – throughout the UK we are encouraging participation in learning for all working-age people.
- **Equality of opportunity for people with disabilities** – a new **Disability Rights Commission** will help people with a disability secure their rights under the **Disability Discrimination Act**. This will help to end discrimination for disabled people, and will provide a central source of advice and information for people with disabilities and employers.
- **Equality of opportunity for all ages** – in June 1999 we launched the *Code of Practice for Age Diversity in Employment*, together with guidance for employers on how to adopt the Code's standards for non-ageist practices. **The Active Ageing Project** is identifying the barriers to employment faced by people aged 50 and over, with a report due in autumn 1999.
- **Better health – £21 billion investment in the NHS** to help secure a healthier population, as well as a new public health strategy for England, published in the White Paper *Saving Lives: Our Healthier Nation* (July 1999, Cm 4386). The White Paper sets targets for saving lives in four priority areas: cancer, heart disease and stroke, accidents and mental health. *Reducing Health Inequalities: an Action Report* (July 1999, Department of Health) published alongside the White Paper, describes the range of policies in place across government to improve the health of the worst off in society and to narrow the health gap. £290 million is being invested in **Health Action Zones** to tackle health inequalities.
- In Scotland, the White Paper *Towards a Healthier Scotland* (February 1999, Cm 4269) sets a three-pronged approach based on improving life circumstances, encouraging healthy lifestyles and addressing major health problems.
- The strategic report *Well into 2000 a positive agenda for health and well-being* (Department of Health and Social Services, Northern Ireland, 1997) sets out the Government vision, priorities and specific targets for improving health and social well-being in Northern Ireland.
- *Better Health – Better Wales* (May 1998, Cm 3922) sets out a new approach for tackling the underlying causes of ill-health.

- **Drugs** – our ten-year strategy *Tackling Drugs to Build a Better Britain* (April 1998, Cm 3945) sets out a comprehensive framework for preventing and treating drug misuse, protecting communities from drug-related anti-social and criminal behaviour, and stifling the availability of drugs.

Together these initiatives will start to tackle barriers to work, help individuals to support themselves and their families through work wherever possible, and support vulnerable groups in our society.

For both single pensioners and pensioner couples, the average income of the richest fifth increased twice as fast as the poorest fifth.

OLDER PEOPLE – HELPING TODAY’S AND TOMORROW’S PENSIONERS

People today can expect to live longer than in the past. We need to ensure that their retirement is a time of opportunity, fulfilment, and contribution to both their family and society. But for too many people it means financial insecurity, isolation and poor access to services. Women and members of some minority groups are at particular risk. Poor health and housing, fear of crime and inadequate public services can all limit older people’s independence and ability to participate in the life of their communities.

Our policy priorities

- Ensuring that more of tomorrow’s pensioners can retire on a decent income.
- Tackling the problems of low income and social exclusion among today’s pensioners.
- Improving opportunities for older people to live secure, fulfilling and active lives.

What we are doing – our key initiatives

- **Pension reform which gives people real opportunities to save for their retirement.** Our Green Paper *A new contract for welfare: PARTNERSHIP IN PENSIONS* (December 1998, Cm 4179) sets out our proposals for a **New Insurance Contract for Pensioners** including:
 - ♦ the new stakeholder pension schemes which offer a better deal, particularly for middle-income earners, by providing a safe, flexible low cost vehicle to save for their retirement; and
 - ♦ dramatic improvements in pensions for low earners, carers and people with disabilities, through a new State Second Pension.
- **A new Minimum Income Guarantee** paid through Income Support for today’s pensioners worth at least £75 a week for a single pensioner and £116.60 for couples from April 1999. We will increase it in line with earnings in April 2000.

Better opportunities for today’s and tomorrow’s pensioners.

- Action to tackle **fuel poverty** with a fivefold increase in the Winter Fuel Payments to £100 starting in winter 1999/2000. And proposals for a new, more generous Home Energy Efficiency Scheme, which for the over-60s would increase the maximum insulation grant to £1,800. We have also cut VAT on fuel.
- **The development of a National Service Framework for Older People** is well under way. This will set national standards of care in the NHS. It will put in place strategies to support implementation and establish performance measures.
- **Improving access to key services** – free eye tests restored for all pensioners, proposals for a new care charter addressing standards across a range of care and health issues. And a £50 million investment in rural bus services.
- **Tackling crime** – an extra £1.25 billion investment over the next three years for the police, with £170 million to extend CCTV for safer streets.
- **Action to improve access to cultural and leisure services** – such as libraries, free access to museums and galleries – and to extend opportunities for voluntary work.
- **An Inter-Ministerial Group on Older People** has been set up to co-ordinate action across government to consult older people on their needs and wishes, and to ensure that issues affecting older people are addressed in a co-ordinated way.

Together these initiatives start to build a framework for a decent and fulfilling retirement for all pensioners.

COMMUNITIES

The increasing polarisation between thriving communities on the one hand, and deprived ones on the other has been one of the key problems of our society over the past 20 years. We aim to bridge the gap between the deprived and other neighbourhoods, developing flexible solutions, which cut across traditional boundaries, in partnership with local communities.

The most deprived neighbourhoods face a concentration of linked problems – high unemployment, lack of educational opportunities, poor health, poor services, inadequate housing and high crime.

Unemployment rates are twice as high in the 44 most deprived local authority districts compared with the rest of England.

Our policy priorities

- Targeting help to areas with the greatest problems so we can tackle the root causes of poverty and social exclusion.
- Integrated policies to address the special needs of deprived areas.

What we are doing – our key initiatives

- The **New Deal for Communities**, with a budget of £800 million over the next three years, aims to regenerate the most deprived areas through improving job prospects, reducing crime, improving educational achievement and reducing poor health. The initiative will be piloted in 17 of England's poorest areas, as a test-bed for the principles of a national strategy for regeneration.
- The Social Exclusion Unit is developing a comprehensive **national strategy for neighbourhood renewal** to tackle the problems of the most deprived neighbourhoods in England. This will be published in spring 2000 for consultation.
- The Social Exclusion Unit has set up **18 Policy Action Teams** addressing a range of problems which require cross-Whitehall solutions to feed into the National Strategy for Neighbourhood Renewal. These include getting people in deprived areas into jobs; intensive, localised housing management; new approaches to raising educational achievement; improving access to financial services for those in deprived neighbourhoods; and information on how to produce integrated local strategies to tackle neighbourhood deprivation.
- Over £2.4 billion is being spent over the next three years through the **Single Regeneration Budget** for regeneration schemes run by local partnerships tackling the most deprived areas in England.
- **Health Action, Education Action and Employment Zones** have already started tackling the specific problems faced by deprived areas. The Urban and Rural White Papers will contain details of our plans to tackle the problems in particular areas.
- **IT Learning Centres** will provide people in deprived communities with the opportunity to acquire key skills needed for a modern labour market.
- £5 billion is being invested in **housing** over the lifetime of the Parliament through the release of council house capital receipts.
- In Scotland, **Social Inclusion Partnerships** are encouraging joint working to tackle social exclusion in some of the most deprived communities. £278 million of public money is being made available over the next three years for the **New Housing Partnerships** initiative. This money will lever significant resources from the private sector. Together, this will promote community ownership of housing, and improve the fabric of social housing.
- The **Capital Challenge Fund** in Wales provides support for local regeneration strategies such as the North Wales Slate Valleys initiative. The challenge is to reverse migration by creating an environment in which small enterprises and community businesses can flourish.

Integrated
local strategies
to tackle
neighbourhood
deprivation.

- We are forming **new partnerships** inside and outside government, across all sectors – we are working with other public, voluntary and private sector bodies as we all have a part to play in promoting social inclusion.

Together these initiatives are starting to identify and tackle the deep-rooted issues which must be addressed if we are to make a reality of our goal to narrow the gap between the most deprived and thriving communities.

INDICATORS OF SUCCESS

Our solutions are cross-governmental to the problems of poverty and social exclusion. We therefore need to monitor our progress by using cross-government indicators that focus on the particular problems faced by different age groups and communities.

We are determined to make a difference and we are prepared to be judged on our results. The following boxes outline the indicators and the policy milestones showing key dates in our strategy.

Monitoring our progress – children and young people

Ensuring that all children get a high-quality education wherever they go to school and providing additional help to children in the crucial pre-school years

Future policy milestones

- At least 250 local Sure Start programmes in England by 2001/02 and 100 per cent of families in contact with the local Sure Start programmes within the first two months of the birth of the child.
- To expand early years education provision for three-year-olds across the UK.
- Continued roll-out of Education Action Zones.
- Maths Year 2000.

Indicators of success

- An increase in the proportion of seven-year-old Sure Start children achieving level 1 or above in the Key Stage 1 English and maths tests.
- Health outcomes in Sure Start areas:
 - ◆ a reduction in the proportion of low birth-weight babies in Sure Start areas; and
 - ◆ a reduction in the rate of hospital admissions as a result of serious injury in Sure Start areas.
- An increase in the proportion of those aged 11 achieving level 4 or above in the Key Stage 2 tests for literacy and numeracy.
- A reduction in the proportion of truancies and exclusions from school.
- An increase in the proportion of 19-year-olds with at least a level 2 qualification or equivalent.

Combating family poverty and social exclusion through our policies to tackle worklessness, increasing financial support for families and improving the environment in which children grow up

Future policy milestones

- Working Families' Tax Credit replaces Family Credit – **October 1999**.
- Children's Tax Credit – **April 2001**.

continued on next page

Monitoring our progress – children and young people (continued)

Indicators of success

- A reduction in the proportion of children living in workless households, for households of a given size, over the economic cycle.*
- A reduction in the proportion of children in households with relatively low incomes.*
- A reduction in the proportion of children in households with low incomes in an absolute sense.*
- A reduction in the proportion of children in households with persistently low incomes.*
- A reduction in the proportion of children living in poor housing.
- A reduction in the proportion of households with children experiencing fuel poverty.
- A reduction in the rate at which children are admitted to hospital as a result of an unintentional injury resulting in a hospital stay of longer than three days.

Supporting vulnerable young people, especially in the difficult transition from childhood to adult life

Future policy milestones

- Further Education Maintenance Allowance pilots in **September 2000**.
- Youth Support Service – national arrangements from **autumn 2000**, with local services in place from **April 2001**.
- Introduce teenage pregnancy recommendations:
 - ◆ new guidance on sex education will be issued by the Department for Education and Employment for consultation by **summer 2000**;
 - ◆ guidance on criteria for the provision of effective and responsible youth contraception and advice services will be issued by the Department of Health by **summer 2000**; and
 - ◆ pilot of a new programme of co-ordinated support for pregnant teenagers and teenage parents aged under 18, in 20 areas for three years from **April 2000**.

Indicators of success

- A reduction in the proportion of 16–18-year-olds not in education or training.
- An improvement in the educational attainment of children looked after by local authorities.
- Teenage pregnancy:
 - ◆ a reduction in the rate of conceptions for those aged under 18; and
 - ◆ an increase in the proportion of those who are teenage parents, in education, employment or training.

Note: *shows indicators for the United Kingdom. All other indicators fall into devolved areas of responsibility. Devolution will allow countries to develop indicators and policies to reflect their particular circumstances and institutions.

Building a proactive welfare system to help people into work

Future policy milestones

- Pilots to help people on Incapacity Benefit into work (the £15 disregard and work trials) – **next steps to be announced in autumn 1999.**
- New Deals rolled out nationally. New Deal for the Over-50s will have Pathfinders in place from October 1999, **with national roll-out early in 2000.**
- Employment Zones will be fully implemented in **April 2000.**
- Evaluation of Code of Practice for Age Diversity in Employment – **2001.**

Indicators of success

- An increase in the proportion of working-age people in employment, over the economic cycle.*
- A reduction in the proportion of working-age people living in workless households, for households of a given size, over the economic cycle.*
- A reduction in the number of working-age people living in families claiming Income Support or income-based Jobseeker's Allowance who have been claiming these benefits for long periods of time.*
- An increase in the employment rates of disadvantaged groups – people with disabilities, lone parents, ethnic minorities and the over-50s – and a reduction in the difference between their employment rates and the overall rate.*

Making work pay

Future policy milestone

- Introduction of Working Families' Tax Credit and Disabled Person's Tax Credit – **due October 1999.**

Indicators of success

- A reduction in the proportion of working-age people with relatively low incomes.*
- A reduction in the proportion of working-age people with low incomes in an absolute sense.*
- A reduction in the proportion of working-age people with persistently low incomes.*

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Monitoring our progress – working age (continued)

Promoting lifelong learning to ensure people have the skills and education to respond to the modern labour market

Future policy milestones

- Establish University for Industry by **2000**.
- Individual Learning Accounts: establish a national system by **2000**.
- Expand further and higher education to provide for an extra 800,000 people by **2002**.
- Develop a national strategy, following the Moser Report on improving literacy and numeracy, to reduce numbers of adults with poor basic skills.

Indicator of success

- An increase in the proportion of working-age people with a qualification.

Supporting vulnerable groups and those most at risk of discrimination and disadvantage

Future policy milestone

- Implementation of the Disability Income Guarantee – **April 2001**.

Indicators of success

- A reduction in the number of people sleeping rough.
- A reduction in cocaine and heroin use by young people.*
- A reduction in adult smoking rates in all social classes.
- A reduction in the death rate from suicide and undetermined injury.

Note: *shows indicators for the United Kingdom. All other indicators fall into devolved areas of responsibility. Devolution will allow countries to develop indicators and policies to reflect their particular circumstances and institutions.

Ensuring that more of tomorrow's pensioners can retire on a decent income

Future policy milestones

- Passage of Welfare Reform and Pensions Bill – **Royal Assent due later this year.**
- Implementation of stakeholder pension schemes – **April 2001.**
- Implementation of State Second Pension – **earliest date, April 2002.**
- Start of new annual pension statements – **2002.**

Indicators of success

- An increase in the proportion of working-age people contributing to a non-state pension.*
- An increase in the amount contributed to non-state pensions.*
- An increase in the proportion of working-age people who have contributed to a non-state pension in at least three years out of the last four.*

Tackling the problems of low income and social exclusion among today's pensioners

Future policy milestones

- Uprate Minimum Income Guarantee by earnings – **April 2000.**
- Bring forward proposals for changes to the treatment of resources (income and capital) for those receiving the Minimum Income Guarantee – **by the end of this Parliament.**

Indicators of success

- A reduction in the proportion of older people with relatively low incomes.*
- A reduction in the proportion of older people with low incomes in an absolute sense.*
- A reduction in the proportion of older people with persistently low incomes.*
- A reduction in the proportion of elderly households experiencing fuel poverty.

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Monitoring our progress – older people (continued)

Improving opportunities for older people to live secure, fulfilling and active lives

Future policy milestones

- Introduce a National Service Framework, focusing on those parts of the health service particularly important for older people, for publication in **spring 2000**.
- The long-term care charter *You and Your Services*, outlining the services older people can expect from health and social services authorities, will be published in **April 2000**.
- Introducing free admission to museums and galleries for pensioners – **April 2000**.

Indicators of success

- A reduction in the proportion of older people whose lives are affected by fear of crime.
- An increase in healthy life expectancy at the age of 65.
- A reduction in the proportion of households containing at least one person aged 75 or over living in poor housing.
- An increase in the proportion of older people being helped to live independently.

Note: *shows indicators for the United Kingdom. All other indicators fall into devolved areas of responsibility. Devolution will allow countries to develop indicators and policies to reflect their particular circumstances and institutions.

Monitoring our progress – communities

Our goal is to bridge the gap between deprived communities and the rest

Future policy milestones

- New Deal for Communities roll-out.
- Publish Urban and Rural White Papers.
- Publication of a National Strategy for Neighbourhood Renewal by **spring 2000**.
- Launching the Community Legal Service in **2000**.

Indicators of success

These will reflect improved outcomes in four areas: long-term unemployment and worklessness; crime; health; and educational attainment.

- There is considerable work under way to develop indicators to monitor our progress in bridging the gap. This is being taken forward in the Social Exclusion Unit's Policy Action Team on Better Information; the Department of the Environment, Transport and the Regions' review of the Index of Local Deprivation; and in related work in Scotland, Wales and Northern Ireland. We will report on progress in next year's annual report.

If you would like further information on our strategy to tackle poverty and social exclusion please write to the following address:

The Poverty and Social Exclusion Team
Department of Social Security
1-11 John Adam Street
London WC2N 6HT

You can also use the following e-mail address:

pov@ms42.dss.gsi.gov.uk

Further copies of this summary are available free of charge from:

Welfare Reform (Poverty)
Freepost (HA4441)
Hayes UB3 1BR

Tel: 0181 867 3201

A service for textphone users is available on:

0181 867 3217

The lines are open Monday to Friday, 9am–5pm.
Please quote code PSE.

Copies are also available in Braille, audio cassette,
and in Welsh, from the above address.

Both the full report and this summary can be
accessed on the internet at: <http://www.dss.gov.uk>

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