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# Building a social recovery?

A first year **report card** on the Coalition Government

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MAY 2011

THE CENTRE FOR  
SOCIAL  
JUSTICE

# FOREWORD

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The Centre for Social Justice (CSJ) was established to find life changing solutions to Britain's peculiarly high levels of social breakdown and poverty. Early on it became clear that successive governments, of both the Left and the Right, had failed to define the root causes of poverty or develop effective policy programmes to improve the quality of life and opportunity for people in our poorest neighbourhoods.

Instead, politicians and policymakers have become obsessed with an arbitrary line that measures income inequality – set typically at 60 per cent national median income – which has driven almost all public policy related to reducing poverty. Vast waves of public money have been spent on targeting specific groups who live below this income line in an attempt to lift them above it. Accordingly, through tweaks to our increasingly complex welfare system, this so-called poverty measure has meant that households living in poverty one day can wake free from it the next. However well intentioned, this strategy has failed those who most need help – a few extra pounds in the pocket are insufficient to break a culture of wasted potential and despair that many people in poverty experience.

Look closer, however, and there are five common causes and consequences of poverty. The CSJ calls these the pathways to poverty and they tend to characterise life in Britain's most deprived communities. They are family breakdown, educational failure, economic dependency and worklessness, serious personal debt, and addiction to drugs and alcohol. Crucially, they are interconnected. Our research shows that a child who experiences family breakdown is more likely to fail at school. Someone who fails at school is less likely to find work and more likely to rely on benefits. Someone living on benefits is more likely to fall into debt. And so the cycle continues.

Upon the formation of the Coalition Government in May 2010, the CSJ resolved to step up its work in holding policymakers to account against their performance in confronting these pathways and efforts to change lives. Before the general election members of both Coalition parties made a number of exciting pledges about poverty and confronting

the pathways we have identified. Then, on the steps of Downing Street, the Prime Minister made a commitment to 'look after the elderly, the frail and the poorest in our country', as well as to focus on 'rebuilding family'.

In developing this report card – which the CSJ will publish annually to hold the Government to account – we have analysed the Coalition's *Programme for Government*, subsequent papers and policy statements, ministerial speeches, funding commitments and overall changes in direction to inherited social policy. In addition we have considered whether commitments made have been matched by effective implementation and delivery. This has enabled us to identify a single overall grade out of ten for each policy area.

Our report card reveals that the Government's first year of action has been mixed. Pioneering progress in pursuing welfare reform and an encouraging new direction for drug and alcohol policy have been undermined by poor implementation of bold education plans, and compromise-driven inaction in tackling our devastating culture of family breakdown. Undoubtedly, by committing to economic stability and building a society that lives within its means, the Government is doing the right thing. Despite clear concerns about aspects of the implementation of public expenditure cuts – such as with the full household benefit cap – urgent deficit reduction will protect people in the longer term. But the Government should be careful not to miss its once in a generation opportunity for even bolder social reform. There is a group of people detached from the rest of society and helping them is of paramount importance to us all. Ministers have made a promising start in key areas, but other important commitments risk proving nothing more than rhetoric. If the Coalition is serious about building a social recovery alongside an economic one, there is much more to be done next year.

**Gavin Poole**

CSJ Executive Director

# COALITION REPORT CARD: FAMILY BREAKDOWN

SUBJECT:

FAMILY  
BREAK-  
DOWN

GRADE:

2 / 10

OVERVIEW:

A CONSERVATIVE - LIBERAL DEMOCRAT  
COMPROMISE TO AVOID DIFFICULT FAMILY  
POLICY DECISIONS MEANS IT'S JUST BUSINESS  
AS USUAL. THIS WILL NOT TACKLE FAMILY  
BREAKDOWN OR REVERSE ITS TERRIBLE IMPACT

## Family Breakdown

Family breakdown is a root cause of poverty and drives social breakdown in Britain's deprived communities. Its impact is devastating on a personal, social and economic level. 48 per cent of all children born today will experience the breakdown of their parents' relationship<sup>1</sup> and our research has found that a child not growing up in a two-parent family is 75 per cent more likely to fail at school, 70 per cent more likely to be a drug addict, 50 per cent more likely to have an alcohol problem and 35 per cent more likely to experience worklessness.<sup>2</sup> Furthermore, family breakdown costs society almost £42 billion a year.<sup>3</sup>

To break this intergenerational cycle of poverty we must stem the last four decades' rising tide of breakdown. Changing the culture so that family stability is valued by society requires strong leadership within government and bold decision-making. Strong, stable families are central to improving outcomes for our children. Strengthening families requires supporting marriage – a structure that tends to produce better outcomes – helping people build strong relationships, and providing coordinated help for our most complex and chaotic families. Yet in too many ways the Coalition's family policy is a disappointing continuation of the last Government's failed approach. Accordingly, almost nothing is being done to confront the tragic breakdown of family life.

## The Coalition's Progress

As Leader of the Opposition David Cameron said he wanted to create the most family-friendly country in Europe. Yet as the Prime Minister now admits, some of the vital measures committed to by the Conservative party in opposition appear to have been watered down during Coalition negotiations. In his 2010 party conference speech he said: 'Nick (Clegg) and I didn't agree about everything. He wanted clearer pledges on PR. I wanted them on the family.'

Early steps have been taken to set up the Child Poverty Commission. We have called on the Government to focus its efforts on tackling family poverty rather than the traditional but narrower targets on child poverty. To begin this shift, it should rename the Child Poverty Commission accordingly.

## PREVENTING FAMILY BREAKDOWN

Promoting two parent families, as well as supporting lone parents, should be a goal of public policy. Accordingly, we identified the couple penalty in the benefits (tax credit) system as a dangerous anomaly which forces people to choose between living together as a family or receiving more income. This has been a dangerous disincentive to couple formation and has undermined family life. Within this debate about structure, evidence shows that marriage provides the most stable form (nine per cent of married couples split by the time a child is five compared with more than a quarter of cohabiters and a staggering 60 per cent of those 'closely involved' but living separately.)<sup>4</sup> Marriage is no magic bullet and combating family breakdown requires a broad range of measures. However, evidence demonstrates that children born outside marriage are far more likely to grow up in poverty and experience poorer life outcomes. Such commitment should be supported in a number of ways including the reinstatement of marriage on government forms and the introduction of a transferrable tax allowance to bring the UK into line with most other European tax systems.

Our most complex and chaotic families need coordinated help; more 'family fostering' would provide intensive round-the-clock support and rebuild relationships, as well as prevent disintegration. Furthermore, family law should no longer treat breakdown as inevitable. In view of our proposals we applaud the Coalition's intention to reduce the couple penalty through our Universal Credit model, and it is encouraging to note that Government research will measure differences in outcomes between married, cohabiting and lone parent families. Yet as our assessment of deficit reduction efforts make clear on page 5, we have a significant concern about the way the full household benefit cap is to be introduced, which as it stands will cause deep damage for up to 50,000 families.

We welcome the publication of two independent reviews – the *Poverty and Life Chances* review by Frank Field MP and *Early Intervention: The Next Steps* by Graham Allen MP – but it is now vital that ministers take the bold decisions required within family policy. Independent reviews are not enough; it is leadership that changes lives.

Furthermore, much of the Government's emphasis (like the last Government's) is dominated by efforts to pick up the pieces after relationships have broken down. A miserly £7.5 million has been allocated to relationship support, and less than half of this money focuses on preventing breakdown. Most is going on the status quo: family support services (online and over the phone) and crisis counselling. Undoubtedly this will help some families, but nothing has markedly changed in the Government's approach to preventing family breakdown. Similarly, the Government's Family Law Review is not considering how the law can prevent family breakdown – it has inherited an agenda from the last Government which failed in this key area of policy. And transferable tax allowances for married couples, which could make a genuine difference to our low income two parent families, have moved off radar despite sustained support by David Cameron for this in Opposition and a commitment in the Coalition's *Programme for Government*.

## SUPPORT IN THE EARLY YEARS

The CSJ has also called for Family Hubs to deliver integrated family-focused services with a particular emphasis on the early years, health visitors and outreach. Couple relationship education should be placed at the heart of primary healthcare, Family Hubs and prisons. National access to high quality parenting support programmes is also essential as well as support for separating families in achieving workable parenting arrangements which focus on the interests of children. We welcome the proposed child maintenance reforms promoting support for family-based arrangements. It is also crucial to provide better access to respite breaks for parents of disabled children in order to prevent breakdown that can flow from unrelieved pressures of care. The allocation of funding for 4,200 extra health visitors is a very positive development but it seems early years' money has been used to fund nothing more than the previous Government's policy of extending free childcare to the 'most disadvantaged' two-year-olds. Yet many of these families would benefit far more if parents were equipped to nurture and stimulate their children. Furthermore, family-friendly outcomes for local authorities – such as to improve parenting and couple relationships; prevent family breakdown or help parents nurture their young children – have not been established. Therefore, with the SureStart budget ring fence removed, many local authorities are cutting funding to Children's Centres and it has been reported that approximately 250 face closure within a year. Similarly, local authorities have been given funding for respite care for disabled children – which can prevent family breakdown – but need not allocate it directly to this.

## COALITION REPORT CARD: ECONOMIC DEPENDENCY

SUBJECT:

ECONOMIC  
DEPENDENCY

GRADE:

8 / 10

OVERVIEW:

AN IMPRESSIVE START THAT PROMISES TO DELIVER MEANINGFUL WELFARE REFORM, BUT NEXT YEAR IS CRITICAL IN MOBILISING LOCAL PARTNERS TO PLAY THEIR PART FULLY IN THE WORK PROGRAMME. THE CSJ HAS SERIOUS CONCERNS ABOUT INTRODUCING THE FULL BENEFIT CAP FOR HOUSEHOLDS IN ONE FELL SWOOP

### Economic Dependency and Worklessness

Work is the most effective route out of poverty but for far too long worklessness and dependency has been passed from generation to generation like a family business in our poorest communities. For many years – even during the recent period of record economic growth and huge increases in welfare-related public expenditure – a group of people has been detached from the workforce and unable to reach its potential through work and the wider advantages of it. Four and a half million people were on out of work benefits before the recession began<sup>5</sup> and approximately two million children grow up in homes where neither parent works – the highest proportion in Europe.<sup>6</sup> It is vital that such people are mobilised if Britain is to capitalise on any emerging economic recovery and fight poverty effectively. The welfare system, which was established as a safety net for people in hard times and a ladder back into work, has now become the biggest barrier to people finding and progressing in employment and must be reformed urgently.

### The Coalition's Progress

During its first year the Coalition should be commended for taking radical steps to confront economic dependency and worklessness.

#### INCENTIVISING WORK

The CSJ has long acknowledged that for the majority of people a decision to find work is fundamentally a practical one; it has to be financially rewarding. Yet this reality has been ignored by welfare system policymakers

for too long and so in many cases, a life on benefits pays more than taking a job. The wasted potential which results has been caused, largely, by a complex and perverse welfare system which traps people by failing to reward work or support those seeking and entering it. In our report *Dynamic Benefits*, the CSJ argued for a single unified payment, the Universal Credit model, to be tapered away at a fair rate to ensure claimants were better off in work.

The CSJ therefore welcomes the Government's decision to adopt our recommendation for a Universal Credit system. By committing to make work pay through reforms to benefit withdrawal rates and earnings disregards, the Universal Credit will begin to tackle a culture of worklessness that blights our most deprived communities and the social breakdown it fuels. We do note, however, that the rate of benefit withdrawal is higher than originally proposed and the savings limit extends disincentives to claimants to save whilst in work. Furthermore, the CSJ believes Council tax benefit should lie within the single Universal Credit in order to meet the aims of the Government's Welfare reforms; yet this important policy question is still unresolved. But overall the Welfare Reform Bill and its associated White Paper mark an exciting start in transforming the Department for Work and Pensions from an administration and process hub into the poverty-fighting arm of government it should be.

#### RECONNECTING WITH THE WORKFORCE AND SUSTAINING EMPLOYMENT

We also recognise that incentivising people to take work is only one part of a necessary reform package. People who have been detached from the workforce for a significant period of time need support to secure employment and develop the 'work habit'. Therefore, in *Breakthrough Britain* the CSJ argued for greater use of conditionality supported by the personalisation of welfare to work services, and outcome-based commissioning of the private and voluntary sectors to maximise the impact of the best non-governmental organisations.

If implemented successfully, the Work Programme will introduce personalised support for those furthest from the labour market, funded by the private sector, and rewarded on basis of results rather than delivery. The involvement of voluntary sector groups and the private sector is very welcome and will finally give people the best opportunity to become work ready. We look forward to the introduction of tailored Work Programme streams for addicts and offenders, who do require unique interventions. It will be vital, however, that the payment by results system and its incentives are implemented thoughtfully, and the CSJ is concerned by some reports from smaller charities and providers about a lack of clarity in this regard. This is particularly crucial in regard to mitigating some of the financial pressures such organisations encounter if their work is predominantly rewarded many months after delivery.

#### BEWARE THE PITFALLS OF DEFICIT REDUCTION

The CSJ supports urgent deficit reduction; there is nothing fair or socially just about building up massive debts and asking our children to pay them off. We also recognise the difficult nature of decisions to cut public expenditure across social policy because such decisions can affect people's lives fundamentally. Notwithstanding this, we do share some of the criticisms about how such cuts are being introduced in the welfare system. The anomaly in Child Benefit is clearly unfortunate and unfair, and we welcome the Government's decision to abandon the policy of unjustified cuts to housing benefit for claimants after 12 months. But our main contention is with current plans to introduce a full benefit cap on households in one fell swoop. Without the careful phasing in of such a cap – which is fair for taxpayers in principle – the CSJ is concerned it will bring hardship to as many as 50,000 large families who will have the rug pulled from under them overnight. The impact of the average projected loss for such families of £93 a week could be highly damaging, and for families who are predicted to lose much more, it is likely to be devastating. Giving such families tailored transitional support through initiatives like the Work Programme will mitigate some of the damage, but the Government should think again urgently about its implementation plans for the full benefit cap.

## COALITION REPORT CARD: EDUCATIONAL FAILURE

SUBJECT:

EDUCATIONAL  
FAILURE

GRADE:

6 / 10

OVERVIEW:

THE BEST OF INTENTIONS RISK FALLING FAR  
SHORT THROUGH SOME BASIC MISJUDGEMENTS  
ON IMPLEMENTATION

### Educational Failure

Education should be the gateway to social mobility and is instrumental in breaking the poverty cycle. Where children and young people face challenges in their home and or local environment, where they are surrounded by a lack of aspiration in the home and community, our schools should help play a transformative role in their lives by helping them to achieve success. Yet for too many primary and secondary school pupils in the most deprived areas, our education system continues to fall far short of this. Educational underachievement in these communities remains a national crisis; its urgent reversal must be a central mission of those in government. We must now evaluate the promises made and the action taken by the Government to reduce educational failure in England.

### The Coalition's Progress

The Coalition, heavily influenced by the Educational Failure volume of our 2007 report *Breakthrough Britain*, should be highly commended for its desire to lead inspiring educational reform.<sup>7</sup> The CSJ has been encouraged by many of the Coalition's early plans to raise educational standards in our poorest areas to confront underachievement, inequality and wasted potential. However, in monitoring the progress of making these plans a reality we have become alarmed by some misguided and careless implementation.

#### EVERY PARENT MATTERS

The provision of educational credits for disadvantaged children was a key recommendation of *Breakthrough Britain* and the Government's establishment of a new Pupil Premium marks important progress in this regard. It is now imperative that this is matched by sufficient guidance for schools to ensure that the benefits reach the most disadvantaged children.

To facilitate innovation in tackling entrenched educational failure, the CSJ commends the Government's establishment of the Free Schools programme.<sup>8</sup> Free Schools, similar to the Pioneer Schools model we have championed, offer hope to those children trapped in failing schools. That said we have serious concerns about

the drift, stalling and implementation of the Government's policy. Free Schools should enable groups of parents and others to tackle serious educational disadvantage by giving providers freedom from local authorities and the national curriculum to develop life changing education. As private schools and academies are increasingly applying for free school status, we question whether tackling educational failure remains the core motivation for the reforms. We also share the concerns of others who argue that the restriction on the formation of for-profit Free Schools is holding back the programme's drive to improve educational standards.

Furthermore, we fear that a policy which is designed to give power away from the State to parents and other providers is now being managed, processed and delivered almost entirely by a national charity and central government. By largely bypassing local authorities through the implementation of Free Schools the Government risks nationalising this pioneering education reform. And given a much lower application rate for Free Schools than was hoped for, the CSJ fears the Coalition's flagship policy – which could do so much to improve social mobility – is misfiring.

As we noted in our response to the Government's White Paper, *The Importance of Teaching*, the absence of any plan to engage parents or carers in the education of their child is another fundamental flaw in the Government's education reforms.<sup>9</sup> Responsibility for a child's education should not lie only with the schools – the 'home learning environment' is vital to helping children achieve their full potential, as the Government's Child Poverty Strategy recognises.<sup>10</sup> Furthermore, a key obstacle to parents' involvement in their children's education is low parental literacy levels. In 2007, the CSJ recommended much greater use of family literacy classes at both the pre-school and primary level. The Coalition has not yet taken any steps to increase the provision of family literacy classes, despite their proven success and value for money. This failure reflects the dearth of action to encourage parental engagement with their children's education.

Until the Government takes action to increase parental engagement and responsibility for their child's education, other reforms will prove somewhat superficial.

#### BETTER SCHOOL LEADERSHIP

Schools should be freed from centrally determined initiatives and bureaucracy to give them the freedom to focus on the challenges their schools face. The Government's new Education Bill and its guidance for teachers on discipline in schools are well received by the CSJ. As promised in the White Paper, this reduction of Government red tape will give head teachers and teachers the greater powers and flexibility to maintain discipline in schools that is so crucial. We welcome this.

While we were pleased to see the commitments made in the White Paper recognising the primacy of strong leadership in schools, the CSJ believes the Government could go further by focusing on equipping head teachers with the skills appropriate to running schools in deprived areas.

#### ALTERNATIVE PROVISION

The Government's commitment to improving the quality and diversity of alternative provision is encouraging but doesn't go far enough, and we urge ministers to study the CSJ's forthcoming report about Educational Exclusion, which will outline practical reforms the Government can pursue in order to make good its intentions in this area and others.

# COALITION REPORT CARD: ADDICTION

SUBJECT:

ADDICTION

GRADE:

7 / 10

OVERVIEW:

THE PROMISE OF RADICAL REFORM FOR OUR FATALISTIC DRUG AND ALCOHOL TREATMENT SYSTEM MEANS IT HAS BEEN AN ENCOURAGING FIRST YEAR FOR THE GOVERNMENT. BUT AVERSION TO DETAIL AND COMPLACENCY ABOUT OPPONENTS COULD DERAIL THESE ESSENTIAL ASPIRATIONS FOR CHANGE

## Addiction

Addiction devastates lives and damages communities – particularly in our poorest communities. Its social, economic and criminal reach is wide and serious. It is estimated that as many as 300,000 children in England and Wales have a parent with serious drug problems, and 2.6 million children live with a hazardous drinker.<sup>11</sup> The Government's 2010 Drug Strategy puts the cost of drugs to the UK at more than an annual £15 billion<sup>12</sup> and according to the British Crime Survey, victims of violent crime believed their attacker to be under the influence of alcohol in 50 per cent of cases, and under the influence of drugs in 20 per cent of cases.<sup>13</sup>

## The Coalition's Progress

### PREVENTION

Beyond our general preventative package across each of the areas in this report card, the CSJ has called for an approach which would finally ensure policymakers take the prevention of drug and alcohol problems seriously, with clear messages about the dangers of substance abuse and dependency. A core ingredient of this is our recommendation to scrap the much derided *Talk to Frank* programme – which is more a casual menu of options than a robust deterrent – and develop an effective replacement programme to set an urgent new course.

As this report card makes clear, we recognise some of the Government's initial commitments to invest in early intervention. Yet on several measures these commitments represent business as usual rather than necessary

and targeted reform (see page 3). In terms of the Government's new *Drug Strategy*, there are some promising headline commitments like that of working with the voluntary sector and police officers to prevent drug or alcohol abuse, but we were very disappointed to see more of the same in terms of the educational programme *Talk to Frank*. The Government needs to provide more detail in other areas – such how it will revise guidance to schools – but it should be careful to avoid making the 'lip service' mistakes of the past on prevention.

### ENFORCEMENT

Our work on addiction has made clear that decriminalisation and liberalisation are not solutions to drug use and addiction. Such calls often come not from people in communities ravaged by addiction and its consequences, but from academics or middle class commentators often detached from the devastation such abuse inflicts. Through local policing, international best practice and intense enforcement against users and sellers, we believe it is possible to control supply much more robustly.

We strongly welcome the Government's determination not to liberalise or decriminalise when it comes to dealing with Britain's drug and alcohol problems. If implemented well, the removal of bureaucratic handcuffs from police officers, the introduction of Police and Crime Commissioners, commitments to reduce the drug supply in prisons and a desire to 'follow the money and seize the assets' of traffickers should mean our neighbourhoods become more hostile environments to those who seek to spread their destructive trade.

### TREATMENT

The CSJ has highlighted how the treatment system has become target-obsessed and un-ambitious; harm reduction and stabilisation, while often an important step in an individual's recovery journey, have routinely dominated provision. Alcohol has been neglected and residential rehabilitation centres have been forced to close. Consequently, far too many people have been 'parked' on substitute drugs indefinitely with little or no hope of full recovery.

It is therefore encouraging to see the Coalition's commitment to an integrated (drugs and alcohol) recovery-oriented treatment system. Abolishing the National Treatment Agency, promoting rehabilitation and establishing recovery champions represent a much needed break from the fatalism of the previous Government. Overall, recognition that too many lives have been wasted by parking people on indefinite and un-ambitious treatment is very welcome, and the Government is absolutely right to seek to rebalance the system so to offer more people abstinence and the chance of a substance-free future.

That notwithstanding, the Government should develop a clearer narrative about the nature of full recovery in order to prevent 'vision creep', and ministers should be alert to an undermining aversion to reform within a number of their departments and some people within the wider treatment sector, intent on maintaining a vested interest in the status quo. Furthermore, a welcome move towards investing in effective recovery-focused treatment provision – through payment by results – requires careful and detailed planning with local providers to avoid short-termism and cherry picking, as well as a financial and commissioning penalty for smaller providers.

## COALITION REPORT CARD: **SERIOUS PERSONAL DEBT**

SUBJECT:

**SERIOUS  
PERSONAL  
DEBT**

GRADE:

**6 / 10**

OVERVIEW:

**SOME PROMISING RHETORIC AND POSITIVE  
CONTINUATION OF EXISTING POLICY, BUT THE  
GOVERNMENT SHOULD SET OUT ITS OWN CLEAR  
VISION FOR TACKLING SERIOUS PERSONAL DEBT  
- PARTICULARLY GIVEN ITS ARRIVAL AS A  
MAINSTREAM ISSUE WITHIN SOCIETY**

### **Serious Personal Debt**

In Breakthrough Britain the CSJ presented the destructive impact of serious personal debt. It is a problem which pre-dates the recent economic crisis. Such debt is fuelled by intergenerational worklessness, a feral doorstep lending market, a lack of community-based support, inadequate provision of financial advice and a low level of financial literacy in our poorest neighbourhoods. This has been strangling individuals and families in UK for years (even during years of record economic growth) and these pressures, particularly on those with very poor credit ratings, are only likely to have intensified as a consequence of the national financial crisis and the mainstream nature of severe personal debt, increased unemployment and the so-called 'credit crunch'.

## The Coalition's Progress

### **ACCESS TO SAFE CREDIT**

The CSJ has called for adequate safeguards to ensure the most vulnerable people in our communities can access safe credit rather than risk unscrupulous lending practices and extortionate penalty charges. Many people are forced to use door stop lenders to borrow small amounts of money for huge interest rates, which entrenches poverty and social breakdown. Nevertheless such services, however damaging, give people an alternative to illegal money lenders and loan sharks. We believe, therefore, that opening up the home credit market to competition and making it more transparent would bring down the interest rates charged by lenders. We rejected calls for interest rate caps in this market as many have suggested it would force providers out and leave no alternative to illegal and dangerous money lending practices.

In view of this we welcome the announcements of continued funding for the Illegal Money Lending project to 2013 and the £73 million fund to help the modernisation and growth of Credit Unions. We also commend the Prime Minister's statement that more should be done to encourage credit unions to help get people out of the hands of loan sharks.<sup>14</sup> However, as outlined, we have warned about the impact of any interest rate cap – however well intentioned – and have such concerns in regards to credit and store cards.

### **STRENGTHENING COMMUNITY SUPPORT AND ADVICE**

As well as safe credit it is important to ensure people can access simple, easy to follow advice in financial planning and debt management. By encouraging people to seek debt advice, either through local community-based services or underutilised credit unions, people can be encouraged to save and manage their finances more effectively. We also called for improved financial education in schools to ensure that a new generation is given the skills to budget and plan their money.

Furthermore, we recommended bold welfare reform (see page 4) as we found debt problems were often exacerbated by the inefficiency and inaccessibility of the benefits system. Within this, the social fund was identified as in need of detailed review to improve efficacy and help reduce social and financial exclusion.

We therefore welcome the Government's desire to improve community support for those in serious financial difficulty. Both David Cameron and Nick Clegg have supported the role that financial literacy has to play in preventing debt and the CSJ is pleased such education will continue to be part of the PSHE curriculum. In this regard we call on the Coalition to consider proposals from the All Party Parliamentary Group on Financial Education for Young People which aim for compulsory financial education lessons in schools, proposals supported by 215 MPs from all parties.

And whilst we agree with the Coalition's intention to provide a free national financial advice service, we urge ministers not to overlook the huge contribution local debt organisations make through personal advice. In this regard we welcome the decision to uphold the funding of the Financial Inclusion Fund for a further year and we commend the Coalition for the introduction of the Welfare Reform Bill, which should ensure that the benefit system is fairer and simpler for those who need it.

## ENDNOTES

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2. YouGov polling for the Centre for Social Justice, 2006
3. Relationships Foundation, *Counting the Cost of Family Failure: 2011 Update*, 2011
4. Benson H (2009) 'Back off or fire back? Negative relationship behaviours amongst postnatal married and cohabiting couples' In Benson H & Callan S (Eds.), *What works in relationship education: Lessons from academics and service deliverers in the United States and Europe*, pp. 55-66. Doha, Qatar: Doha International Institute for Family Studies and Development
5. Speech by Secretary of State for Work and Pensions, Rt Hon Iain Duncan Smith MP, *Universal Credit: welfare that works*, 11 November 2010
6. Speech by Secretary of State for Work and Pensions, Rt Hon Iain Duncan Smith MP, *Welfare for the 21st Century*, 27 May 2010
7. The Cabinet Office, *The Coalition: Our Programme for Government*, London: HM Government, p 28
8. In *Breakthrough Britain: Educational Failure* (2007), the CSJ recommended that groups of parents and alternative providers should be given the right to set up schools with charitable status known as 'Pioneer Schools', which should be free of local authority control
9. Centre for Social Justice, *Centre for Social Justice Responds to the Department for Education's Schools White Paper 2010*, 24 November 2010 [Accessed via: <http://www.centreforsocialjustice.org.uk/client/downloads/20101124CSJRespondsDFESchoolsWhitePaper2010.pdf> (3/05/11)]
10. Department for Work and Pensions and DfE, A *New Approach to Child Poverty: Tackling the Causes of Disadvantage and Transforming Families' Lives*, Norwich: The Stationary Office, April 2011
11. See Advisory Council on the Misuse of Drugs, *Hidden Harm: Responding to the needs of children of problem drug users*, London: Advisory Council on the Misuse of Drugs, 2003, p20 and Manning et al, New estimates of the number of children living with substance misusing parents: results from UK national household surveys, *BMC Public Health*, 2009, p2
12. HM Government, *Drug Strategy: Reducing Demand, Restricting Supply, Building Recovery*, London: HM Government, 2010, p3
13. Home Office, *Crime in England and Wales 2009/10*, London: Home Office, 2010, p60
14. Prime Minister's Questions, 19 January 2011

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