

SOCIAL FINANCE IS AWARDED TWO CONTRACTS FROM THE DWP INNOVATION FUND TO SUPPORT 2,500 VULNERABLE YOUNG PEOPLE IN THE THAMES VALLEY AND THE NORTH WEST OF ENGLAND

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The Department of Work and Pensions (DWP) today announced that it has awarded two contracts worth £7 million from the Innovation Fund to two social investment partnerships established by Social Finance. The Social Impact Bonds will fund interventions to work with around 2,500 14-15 year olds who are disadvantaged or at risk of disadvantage to help them participate and succeed in education or training and thereby improve their employability.

The programmes will be delivered by Adviza in the Thames Valley and Teens and Toddlers in the North West of England. This is an exciting opportunity to engage a wide range of social investors and work with social organisations who deliver effective programmes to raise the aspirations of young people.

The DWP Innovation Fund is part of a series of government measures to tackle youth unemployment. The DWP has identified a number of outcomes against which the contracts will be measured including improved behaviour, school attendance, educational qualifications and employment opportunities. Outcomes payments from the Innovation Fund will be paid over three and half years. Unlike typical social service delivery, the funding is provided at risk by social investors, including Bridges Ventures, Big Society Capital, Barrow Cadbury Trust and the Impetus Trust, whose financial return is aligned to the positive social impact of meeting pre-agreed educational, training and employment outcomes.

Through the Social Impact Bond funding, **Adviza** will deliver an innovative three year programme working with 14 and 15 year olds across the Thames Valley called *Energise*. The programme is designed to build resilience, confidence and aspiration to enable vulnerable young people to progress in their lives particularly in terms of education and work. *Energise* will work with young people in Aylesbury, Banbury, Bracknell, Oxford, High Wycombe, Milton Keynes, Reading and Slough as well as with disadvantaged groups in more rural areas. The programme will target training and support to young people from the following groups: those with family issues, young offenders, young people in care, care leavers, substance misusers, those with mental health issues and young carers.

It is hoped 1500 young people will go through the project with varying levels of support. The Energise programme looks to build-knowledge and confidence through 1-2-1 guidance and group works, residential activities and mentoring. Katharine Horler, Adviza's Chief Executive commented, "We are genuinely excited about this project as it is a chance to work with young people at a stage in their lives when the support can make a real difference."



Teens and Toddlers will roll out a well-established programme for over 1,100 at risk 14-15 year olds across the North West of England. The programme includes teenagers acting as role models to vulnerable toddlers¹ in a safe and supervised nursery environment, helping them to build a sense of responsibility; Classroom sessions focused on anger and behavioural management, emotional intelligence (including self- management and social skills) and barriers to achievement, such as bullying and understanding the impact of risky behaviours; an accredited NCFE Level 1 Award in Interpersonal Skills; and support with individual work plans right through until GCSEs.

A recent study has shown that the Teens and Toddlers programme, which currently operates in areas of greatest need across England, has a long-term impact on young people's self-esteem which can help reduce risky behaviours, such as getting pregnant or joining a gang. Increased self-esteem can also result in improved attitudes to school, behaviour at school, attendance and overall academic achievement.

The programme will run in schools across Bolton, Manchester, Oldham, Salford and Tameside. These areas have been chosen as they are in the top seven boroughs for NEET 16-18 year olds in the North West. The North West has the highest number of NEET young people in the country² and 26% of children in the North West live in poverty, second to London³. A young person living in poverty is at high risk of becoming NEET and ten times more likely to become a teen parent.⁴

Diana Whitmore, founder and Chief Executive of Teens and Toddlers said: "Helping young people to see their potential and make positive choices is why we exist. The combination of hands-on community experience, classroom time, and a qualification is critical to solving the complex problems of at risk young people. Longer term, the DWP funding will enable us to expand our innovative programme to inspire more at-risk teenagers to reach their potential."

For more information, please contact Alisa Helbitz, Director of Communications, on 020 7667 6388 or 07500 433 044.

¹ Vulnerable toddlers are those who have been identified by the nursery staff as needing early intervention support, for example autistic children and elective mutes

² 15,680 16-18 year olds. Source: DfE, 2011

³ Poverty/Inequality UK; Institute of Fiscal Studies, 2011

⁴ Ibid

Notes to Editors:

- Social Finance has been funded by the Big Lottery Fund to develop the Social Impact Bond market in the UK. The Social Impact Bond (SIB) is a contract under which the public sector commits to pay for improved social outcomes. On the back of this contract, investment is raised from socially-motivated investors. This investment is used to pay for a range of interventions to improve social outcomes. Investors receive a return if the outcomes are achieved. The first Social Impact Bond contract was signed with the Ministry of Justice in March 2010, aimed at reducing offending among short sentenced prisoners in Peterborough. Social Finance raised nearly £5m from social investors to fund a six-year service to work with 3,000 short sentenced male prisoners leaving Peterborough prison from August 2010. Investors will receive a return if re-offending among the prison leavers falls by 7.5% or more compared to a control group of short sentenced prisoners in the UK.
- The DWP contracts are awarded to Social Investment Partnerships, established by Social Finance and chaired by Richard Johnson, formerly of SERCO with broad experience in the complex area of outsourced welfare to work.
- The Innovation Fund is a Department for Work and Pensions (DWP) initiative aimed at encouraging social service delivery organisations, financial intermediaries and non-governmental investors to work together to design and finance programmes which can help improve employment outcomes for the most vulnerable young people in society. The DWP acts as main commissioner and guarantor of a payment by results contract. Unlike typical social service delivery, the funding is provided at risk by social investors, who only achieve a financial return if pre-agreed educational, training and employment outcomes are met.
- Teens and Toddlers (www.teensandtoddlers.org.uk) was founded in 2001 to address the social exclusion of young people. It is focused on inspiring young people to achieve the skills, qualifications and self-belief they need to succeed in school, work and life. To date, the charity has reached over 7,000 young people and children, working across 26 Local Authorities. For every £1 spent, Teens and Toddlers saves society £6 - a Social Return on Investment (SROI) of £1:6 over five years, as measured by the Centre for Excellence in Outcomes.
- Adviza (www.adviza.org.uk) is a registered charity that was formerly known as Connexions Thames Valley. Its purpose and passion is to deliver high quality services to support young people and others making important decisions in their lives, especially those who are vulnerable. A particular focus for these groups is to help them into education, employment and/or training. A key part of this support is providing impartial information, advice and guidance to young people as they move through their teenage years into adulthood and working life.
- Social Finance (www.socialfinance.org.uk) is an FSA regulated non-profit organisation established in 2007 to develop an effective social investment market in the UK. The organisation provides access to capital, designs social investment products and offers advice to investors and social sector entities interested in delivering significant social impact. Social Finance is committed to driving innovative, sustainable and scalable solutions by combining a deep understanding of social issues with expertise in financial modelling, business case development and investment structuring.
- Investors in the two contracts include: Barrow Cadbury Trust, Berkshire Community Foundation, Big Society Capital, Bracknell Forest Homes, Bridges Ventures, CAF Venturesome, Esmée Fairbairn Foundation and the Impetus Trust.