

A Review of the Social Exclusion Unit

December 1999

REVIEW OF THE SOCIAL EXCLUSION UNIT

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1. SUMMARY

1.1 This paper sets out the recommendations of a Review of the Social Exclusion Unit (SEU) after its first two years of operation.

Process

1.2 The Review has been conducted by a small group of key stakeholders from inside and outside Government, chaired by the Head of the Economic and Domestic Secretariat within the Cabinet Office. The organisations represented on the Review Group are listed at Annex B. The Review benefited from support from KPMG consultants, who were also represented on the Review Group. In particular, KPMG conducted an extensive consultation exercise with key stakeholders both inside and outside Government. This is summarised in Section 3.

1.3 In replying to a Parliamentary Question in December 1998 the Prime Minister said that the Unit's success would be reviewed in the summer of 1999 and a decision announced about its longer term future and work programme. To allow staff planning an announcement is needed this winter on whether the Unit is to continue or not.

Recommendations

1.4 The SEU Ministerial Network and other Ministers have had the opportunity to comment on this paper and agree the Review team's action plan. A number of the proposed actions are very detailed and are set out in Section 5 below. However, the key points are summarised as follows.

i. The Unit has been a success so far and should continue until 2002 at least.

1.5 While it is too early to judge the impact on the ground of the SEU's reports, most of which are in the early stages of implementation, external feedback and discussions within the Review Group have produced a broad measure of agreement that the Unit has been a success so far and was well conceived.

1.6 The quality of the Unit's reports and analysis has been widely praised; their recommendations have been accepted as sound and are being implemented; and the Unit has also had a broader impact on raising the profile of social exclusion and pioneering a new way of working. Key strengths of the model have been its time-limited, project-based remit, the outward facing approach and involvement of

practitioners, and the impetus given by the Prime Minister's personal interest.

1.7 Given this background and the number of remaining topics, for which the Unit's approach might be successful, the Review Group saw no case for winding up the Social Exclusion Unit. On the other hand, a Unit may not always be appropriate and any team which aims to be an agent of change needs to guard against becoming institutionalised. Therefore the Review Group recommends that the Unit should continue for the foreseeable future and be reviewed again at the end of 2002.

ii. The policy priorities between now and summer 2000 are to complete the current programme of work on neighbourhood renewal, feed into the spending review and ensure implementation arrangements are on track to deliver. New topics can only realistically start in autumn 2000. The Prime Minister should reach a decision for public announcement in the summer, following some scoping of the possibilities by the SEU and Government Departments.

1.8 The Unit has a very demanding policy agenda in hand, especially given the demands of pulling together the outcome of the 18 Policy Action Teams into the National Strategy for Neighbourhood Renewal and contributing to the spending review. Against this background it would not be manageable to start new topics before next autumn.

1.9 This also allows a period for proper scoping and planning of projects, for consultation with Departments and gives time to take account of decisions and ideas that emerge from the forthcoming spending review discussions. The Prime Minister should choose and announce two or three topics in the summer and these will form the Unit's next work programme.

Implementation of the Unit's reports is for Departments but the Unit needs to monitor and support implementation, learn lessons, and develop good practice to ensure buy-in from Departments. Implementation should not be seen as an add-on and should be considered by Departments and the Unit as the proposals in each report are developed. The agreed implementation and monitoring arrangements should be spelt out in each report and the key targets included in the Public Service Agreements for the relevant Departments.

The Ministerial Network, under Dr Mowlam's lead, will back up lead Ministers in chasing progress on all the Unit's past projects. This will include both monitoring implementation and evaluating the outcomes. Periodic reviews will be undertaken (commissioned from an independent body, by Ministers with support from the SEU), of whether the policy is making the intended impact on the ground, whether outcomes are being achieved and whether the policy needs to be refined or changed. The Network will also act as a sounding board for the Unit's future work programme.

1.10 It is common ground that successful implementation of SEU reports is key. External feedback on the Unit's work showed some cynicism about Departments' will and ability to deliver, and some suggested that effective implementation would only come if the SEU was also assigned to follow through its reports. The evidence so far does not support this. Departments have made a good start in implementing the Unit's reports. The Review Group was also clear that it would be quite unrealistic to make the SEU responsible for implementation. It was unanimous that implementation must be for lead Departments and that a more systematic process is required to drive things forward and to support the work of the Ministerial Network. This is described in the action plan in Section 5 and will be developed in more detail in consultation with Departments.

1.11 The Action Plan proposes measures such as face-to-face discussions with Ministers of final reports, precise handover arrangements involving Permanent

Secretaries and regular follow-up meetings with lead and supporting Ministers, Permanent Secretaries and senior officials. If followed systematically, these measures should make for successful implementation of projects and good working relationships between the SEU and Departments.

1.12 There was also agreement that the Unit needed to maintain some capacity to follow the implementation process of its reports, to provide continuity, ensure implementation lessons are fed into future work and support Ministerial monitoring: the Ministerial Network, under Mo Mowlam's lead, will focus on this last task. Its new membership and remit is set out at Annex A alongside the existing Ministerial Champions Group.

iv. The Unit's approach is part of an increasingly broad cross-Whitehall strategy for tackling social exclusion. The Unit and Departments should ensure social exclusion is addressed in the 2000 spending review. Working relations between the Unit and Departments should be close. The Unit needs to spend more time communicating with Departments and be able to help with their agendas as appropriate. Departments need to make sure that they "join-up" their response to SEU ideas, for example by identifying a senior board-level sponsor official.

1.13 The SEU is thought to have had an influence on social exclusion policy beyond its specific reports. A number of consultees, internal and external, thought that the connections between its projects and way of working, and those of mainstream Departments should be strengthened. The Policy Action Team process has had some impact on this and the 2000 spending review could take this process further. This requires an investment of time on both sides.

1.14 Many of those consulted also thought that co-ordination of the overall impact of Government policies on social exclusion was lacking. The review team did not feel that the Unit could or should take a co-ordinating role and drew attention to the potential for other mechanisms, such as the Department of Social Security led Annual Report on Poverty and Social Exclusion, to fulfil this need. The Government will, in considering the next Annual Report, look at whether co-ordination is adequate.

v. The Unit has been overstretched and needs to be resourced to retain good external links, improve its communication, maintain its interest in past projects, and reduce pressure on staff.

1.15 The SEU has a demanding policy development agenda and a high profile, and its officials have had to work long hours to deliver. Even so, there is still considerable unsatisfied demand for its input; its external links need to be maintained across an increasingly broad field; communication of its work has been underplayed; and there is little dedicated resource to maintain oversight of past projects. Some investment in infrastructure, communications, implementation and research is necessary to enable it to function effectively in future, with less strain on staff. It will need to grow in terms of staff numbers but should beware of over-extension. Final decisions will need to be made in the context of the Cabinet Office's business plan for next year.

vi The Unit needs to develop its partnership with Departments and be more explicit in giving credit in reports to officials and Ministers who work with the Unit on particular projects. At the same time it needs to retain its independence and work to 'mainstream' its approach (the model of outsiders working with civil servants in a clear and coherent way) and to help change cultures in the civil service. Further work will also be needed to evaluate the 18 Policy Action Teams and the process that is leading to the National Strategy for Neighbourhood Renewal.

1.16 The Unit needs to develop its partnership with Departments and be more explicit in giving them credit for their work, while at the same time retaining its independence. The SEU has not been able to make a full contribution to Departments' mainstream

social exclusion agendas or been able to feed back the approach and experience because of the pressure of day-to-day work. Investment in infrastructure and communications should allow more time for this.

1.17 The action plan includes a number of practical measures to improve partnership working with Departments such as: involving Departments more fully in the selection, description and timetabling of projects, face-to-face meetings with Ministers at the outset of projects, a senior sponsor at board-level from Departments, and ensuring that the Unit's planning processes allow Departments sufficient time to contribute to projects properly.

1.18 An independent evaluation of the whole approach to developing the Neighbourhood Renewal Strategy, including the Policy Action Teams, would also add to the store of knowledge of 'what works'.

The Unit must retain and develop its outward-looking approach. The Unit has worked with a huge range of external stakeholders: for example faith communities, the voluntary sector, the research community, local government, business, police and ethnic minority organisations, and this has had a positive effect on the quality of the Unit's reports. More work is needed to develop these contacts to ensure the right input into reports. Reports should be disseminated more widely. Secondments from these sectors into the Unit have been a success. The Ministerial Network could also have a part to play in getting the Unit's ideas into the mainstream media.

1.19 The action plan includes: the development of a more worked-up communication and dissemination strategy; ensuring that the Unit's reports reach both those people using services and practitioners at the front line; and making more use of external secondments into the Unit.

Next steps

1.20 More detail underpinning these recommendations is set out in the following sections including, in Section 5, a detailed action plan for the Unit to follow.

2. KEY FACTS

The following are the key facts about the Unit:

announced in August 1997, building on preparatory work by Permanent Secretaries and external think-tanks. Launched in December 1997 with 12 full-time and 4 part-time staff;

full time staff grew to 20 by summer 1998, 27 by January 1999, 33 in October 1999. Restructured around three Deputy Directors structure in October 1998. Non-civil servants currently stand at 5 full time and 3 part time;

budget of ?1.8m for 1999-2000 on Cabinet Office vote. External sponsors - Joseph Rowntree Foundation, Improvement and Development Agency. The Department for the Environment, Transport and the Regions (DETR), Her Majesty's Treasury (HMT), Home Office (HO), Department of Health (DH) meet other costs of some ?380,000 - mainly seconded staff as well as some research funding and support for consultation events;

five reports published so far:

Truancy and School Exclusion (May 1998)

Rough Sleeping (July 1998)

Bringing Britain Together: a national strategy for neighbourhood renewal (September 1998)

Teenage Pregnancy (June 1999)

Bridging the Gap: new opportunities for 16-18 year olds not in education, employment or training (July 1999);

Comprehensive Spending Review identified funding for tackling truancy and school exclusions, and rough sleeping, as well as for the New Deal for Communities. Targets were reflected in Public Service Agreements;

Neighbourhood Renewal report launched process of 18 Policy Action Teams (PATs), with staged reports through 1999. Unit staff chair five of these, DETR and DfEE 3 each, HO and HMT 2 each, Department for Trade and Industry (DTI), Department for Culture, Media and Sport (DCMS) and Department of Health (DH) one each. Full list at Annex A;

7 PAT reports (Business, Housing Management, Unpopular Housing, Community Self-Help, Arts and Sport, Financial Services and Shops) have already been published and the remainder will be published over the next few months. Will feed into National Strategy for Neighbourhood Renewal. A framework version will be published for consultation in Spring 2000 which will set some priorities, put the ideas into a broader context, and feed into the next spending review;

the Unit reports directly to the Prime Minister but also has a network of Ministers to provide a political sounding board. All published reports have clear follow-up arrangements involving their own Ministerial groupings;

the Unit's work sits in a broader context of other Government initiatives on social exclusion and poverty, as developed in Welfare Reform Green Paper, Budgets and Comprehensive Spending Review, and Government's Annual Report on Poverty and Social Exclusion;

the Unit is also part of the 'Modernising Government' process and the new trend towards cross-cutting approaches.

3. THE REVIEW'S FINDINGS

3.1 This section records the main points emerging from KPMG's interview programme covering 40 key stakeholders, from the 78 written responses received to the Unit's public invitation to comment, and from discussions within the Unit itself.

3.2 The stakeholders interviewed represented a cross-section of Ministers, senior officials and advisers, academics, people from the voluntary sector, local government and business. Those responding in writing were mainly from the voluntary sector and Church groups (50 per cent) and from central and local government (25 per cent).

3.3 The analysis is grouped in accordance with the principal lines of questioning followed in the interviews, which focused on:

the Unit's impact;

its perceived strengths;

its perceived weaknesses; and

its future.

3.4 Where a view was confined to a particular category of respondents, the category has been given in italics. Otherwise, the statements reflect either a clear majority view, significant observations made by a minority or KPMG's own assessment of the opinions being expressed and interpretation of the interviews. The statements in this section do not reflect KPMG's opinions or recommendations. Some of the statements are inconsistent with each other, reflecting a diversity of views.

3.5 **Table 1** on page 14 shows a selection of quotes from interviewees. These quotes are verbatim, and illustrate both the cross-section of views expressed and the strength of feeling on some issues.

The impact of the Social Exclusion Unit

3.6 The SEU has had an impact going far beyond the direct impact of its reports. Its influence on the socio-political agenda for debate, funding and research within government, the voluntary sector, and academia has been immense. It has made a real contribution to thinking and policy in the areas examined.

3.7 The SEU has made an exceptional contribution to Ministers' objectives, and setting it up was one of the Government's most important decisions. (*Ministers*)

3.8 The SEU has raised the profile of social exclusion as an issue, strengthening the hand of those in both voluntary and public sectors engaged in tackling social exclusion, and helping to open up funding opportunities. Some respondents observed, however, that the Unit has not changed the underlying funding structure and its true impact will depend on decisions in the forthcoming spending review.

3.9 The Unit's approach has shown that the Government is serious and genuine about involving the wider community in its thinking, knowledge-gathering and policy formulation. It has made a real contribution to opening the doors of Whitehall to a wider community. (*Voluntary sector/local government/business.*)

3.10 It is too early to judge whether the Unit's work has had any impact on the substantive social issues they are seeking to tackle.

3.11 The Unit has given significant impetus to the idea of joined-up Government and shown others that a new way of working is possible.

The Unit's Perceived Strengths

3.12 The quality of the SEU's reports has been exceptional, particularly because of their basis in evidence. Qualities frequently highlighted include: innovation, creativity, courage, accessibility and use of international examples.

3.13 The SEU has provided a searching challenge to existing policy, being willing to work against the grain and challenge vested interests where necessary. (*Many respondents, but especially Ministers.*)

3.14 The Unit is able to be more creative because it can join-up Government thinking, cutting across the agendas of different Government Departments and thinking outside Departmental boundaries.

3.15 The SEU's productivity and working methods are very good. Staff bring real energy to the task, respond very positively to time pressure, have a rigorous problem-solving approach, and do what they say they are going to do.

3.16 The Unit is inclusive and willing to listen. Staff are unusually successful in

working with people outside Government and in understanding the perspectives of those working on the ground. Some PATs have been praised for inclusive and dynamic working methods. (*Ministers and voluntary organisations.*)

3.17 The strong personal support of the Prime Minister has been essential to the success of the SEU. The Unit has benefited from exceptional sponsorship from its central position in Government.

3.18 The intellectual ability, commitment, calibre, energy and fresh approach of the leader of the Unit and Unit staff are widely praised.

3.19 The mix of civil service and external staff has been a success, and helped the SEU work well with people outside Government and provide a real challenge to the culture of Departments.

The Unit's Perceived Weaknesses

3.20 The SEU could further improve its communications, including consultation with smaller voluntary organisations, internet communications, and media handling – selling their recommendations both to stakeholders and to the wider public is a key part of their work. Some landmark early successes to point to on the ground, even on a small scale, would keep the momentum going.

3.21 The Unit needs to devote more time and resources to implementation and monitoring, and many interviewees felt this should be its top priority. There is considerable cynicism about Departments' will and ability to deliver on commitments made in SEU reports. Some of those outside and inside Government seem unaware that SEU reports are published with the effective status of Government White Papers.

3.22 Implementation may require even stronger Ministerial sponsorship than provided by current arrangements. Ministers in particular felt that the Ministerial Network could be even more active in gaining buy-in from colleagues and Permanent Secretaries. Some felt that the SEU needs a Cabinet-level sponsor Minister.

3.23 The Policy Action Teams (PATs) are a mixed bag, and the PAT process has not as yet inspired the same level of confidence or enthusiasm as the SEU-led projects. A number of people felt that 18 PATs was too many to maintain focus, and that SEU resources are spread too thinly. Some PAT's have been criticised as "dominated by Whitehall" and reluctant to challenge existing policy and processes.

3.24 The SEU tends to rely unduly on the best and the brightest – 'Young Turks' in Departments, leading social entrepreneurs, without really reaching beyond them to move the majority.

3.25 The SEU has not made the best use of the goodwill it has built up in the voluntary sector, and particularly not within the business and local government networks, and sometimes seems to have little insight into the way they work. There should be more non-civil servants in the Unit to help the SEU better capitalise on this goodwill.

3.26 The Unit should do more to involve both those working at a "grass roots" level and people who themselves might be described as "socially excluded" more closely in their consultations. There should be more direct participation in the processes of issue definition and policy formulation by those most directly affected.

3.27 The SEU's work has been on the whole less enthusiastically received inside Government than outside, particularly where the SEU is perceived to have worked against the grain of Departments, showing insufficient understanding of issues or processes. (*Civil servants*)

3.28 The SEU can be hard to work with, and needs to do more legwork with senior officials in Departments and the Cabinet Office to gain consensus, relying less on its heavy weapons and partisans. (*Civil servants*)

3.29 In some cases, Departmental effort has been distorted through undue focus on SEU issues at the expense of other vital issues outside the spotlight. (*Civil servants*)

Future of the Unit

3.30 The SEU must continue at least until the end of the Parliament. (*Unanimous view.*)

3.31 The SEU must actively monitor and drive forward the implementation of the recommendations it has made to date and this should be the primary focus of the Unit's activity. (*Near unanimous view.*)

3.32 The Unit should take a closer interest in funding issues, including the forthcoming spending review (in which the Unit must be closely involved), the use of public funds by Departments, and the harnessing of private money through partnership working.

3.33 The Unit should encourage implementation of recommendations at a local level by pulling together and communicating best practice in the practicalities of putting new ideas into action.

3.34 The Unit should continue to work on a project basis, tackling well-defined issues, which are not currently getting an adequate response from Government because they cut across traditional boundaries.

3.35 Reports should continue to be prepared within tight timescales, but with proper resource planning to limit pressure on staff. The SEU should not take on too many projects at once.

3.36 The Unit is widely thought to be heavily dependent on its Director, Moira Wallace. Careful succession planning, taking account of the particular characteristics required by the position of Head of the Unit, is absolutely essential.

3.37 The SEU has not changed the fact that Government is not joined-up. Unless more is done about this at a structural level, change on the ground will not stick. The SEU should document its model for change in Government and actively promote it within Departments so that the machine as a whole starts to change.

3.38 The Government needs to be conscious of the consistency of all its policies from the perspective of social exclusion. The SEU should do "poverty-proofing", ensuring that social exclusion issues are fully taken into account across Government, including in the work of Regional Development Agencies and in other initiatives such as the New Deals, the New Deal for Communities, and Action Zones.

3.39 While some saw the development of a national strategy on social exclusion as an important future role for the Unit, a small majority felt that SEU should not lose its pragmatic, project-based focus and its lean structure by seeking to take on the wider roles of a main policy Department, such as reporting on social exclusion and poverty in general or representing Government in wider debate.

Table 1: Quotes from stakeholders interviewed

"The Unit has had an incredible impact... electrifying."

"A breath of fresh air."

"SEU has been a vehicle for fundamental change... an inspiration for change."

"SEU has been incredibly galvanising at loads of different levels."

"The Government is at last tackling the issues of people at the bottom."

"Downing St and Whitehall are opening their doors and listening to people."

"In terms of raising awareness, SEU have scored 11/10."

"There is an aura about its work - [partly because] it has a hotline to the Prime Minister; the SEU is punching far above its weight."

"There is a risk that the Unit will become the social conscience of the Government."

"The Unit has been extraordinarily successful in engineering policy change."

"The reports are second to none...of the very highest class."

"The reports are based on a tremendous reservoir of evidence."

"Well-written, accessible reports full of bottom-up evidence."

"It would be criminal to stop it at this stage."

"This is an important way of keeping poverty and social exclusion on the political agenda at the heart of government."

"The Unit is only as effective as the person running it, [who] must believe that things can change."

"I am enormously impressed with the energy and enthusiasm of the young people in the Unit."

"Bringing in the brightest civil servants and working them flat out may be a very good strategy."

"The mixture of backgrounds is hugely creative."

"Is there a system to ensure the current calibre of person is renewed?"

"They do best on defined, focused targeted areas where the normal machinery of government is less effective."

"They must avoid the temptation to fill the bookshelves with good reports."

"If it was set up to be ground-breaking, it has only disturbed the topsoil."

"There needs to be a review process – a monitoring and keeping the eye on the ball function."

Implementation monitoring is critical - "nobody else is going to do it if it isn't them."

"In the end nothing will happen unless somebody keeps the pressure on."
"What is needed is facilitating, monitoring, head-bashing, progress-chasing."
"Involvement and talking is fine, but this must translate into real action."
"Their reports are virtual announcements...This is acutely uncomfortable for Departments but essential."
"They spot, argue and generate momentum for things that Departments cannot pick up."
SEU is "the most visible manifestation of joined-up government" but its joined-up approach is "not yet sufficiently in the lifeblood of Whitehall."
"SEU is taking something and bending it, with a risk that it springs back into its normal shape later."
"I have a worry about how their very different approach gels with what is going on in Departments so that people feel they are in the same place."
"They have danced around race for too long."
"The PAT was a tokenistic set-up...Don't write the script and call us to be actors."
"Social exclusion is a label which means different things to different people, and if you're not careful it can become a piece of academic baggage."
"They're not very good at partnership working really - there's still a desire to control things centrally."
"The SEU is designed to be a pain in the butt."
"Part of their role is to court controversy – you can't tackle social exclusion without ruffling feathers."
"They are the sand in the oyster."
"They have put salt on the tail of civil servants in departments."
"They have provided leadership."
"Getting this far is a hell of an achievement."

THE PRIME MINISTER'S STATEMENT ON THE FUTURE OF THE UNIT

I established the Social Exclusion Unit in December 1997. Its remit is to help improve Government action to reduce social exclusion by producing 'joined up solutions to joined up problems'. Most of its work is on specific projects, chosen by me following consultation with other Ministers and suggestions from interested groups.

Since its inception, the Unit has focused on the following priorities:

Truancy and school exclusion, rough sleeping, poor neighbourhoods, teenage pregnancy and 16-18 year olds not in employment, education or training. The Unit has reported to me on each, with a full analysis of the problem and concrete recommendations for action, all of which I have accepted. These are now Government policy and are being implemented.

I announced in December 1998 that, as the Unit was set up on a time-limited basis, its success would be reviewed in the Summer 1999, and a decision announced about its longer term of future and work programme.

During the summer, this review was undertaken by KPMG, working with members of the SEU. The review took evidence and opinions in writing and face to face with a large number of individuals and organisations with an interest in the work of the Unit. The review has now reported to me and the full review report will be published to coincide with this announcement.

The consultation showed that there is overwhelming support for the continued existence of the Social Exclusion Unit, and a widespread belief that it has been a success in terms of operation and its effect on wider Government policy, although it is too early to judge the impact of the SEU on the ground.

In particular, the quality of the Unit's reports was considered exceptional and its working practices, with a mix of civil service and external staff, was seen as a strength. The approach could be used more widely across the whole of Government. It is also clear that the Unit's work has done much to raise the profile of social exclusion as a policy issue within and outside Government.

It is clear from both from the quality of the Unit's work and its impact so far, that there is a role for it to play for some years to come. I have therefore decided that it will continue in existence, and be reviewed again at the end of 2002.

In the short term, I have set the Unit the following new priorities as a result of this review. They are:

to complete the current programme of work to develop the national strategy for neighbourhood renewal, including oversight of the work of the 18 policy action teams. The Unit will be closely involved in establishing the arrangements for implementation of the strategy after it is announced in the summer of 2000;

to work closely with HM Treasury and other Government departments to ensure that the 2000 spending review reflects the priority the Government gives to tackling poverty and social exclusion; and

to bolster the arrangements for monitoring implementation of past reports. I have asked the Minister for the Cabinet Office to chair the Ministerial Network on Social Exclusion, which will be given a new remit to chase progress across Government on implementation of past SEU reports, as well as acting as an informal sounding board for the Unit's future work programme. I have also expanded the Network's membership to enable it to meet this new remit.

The membership of the Ministerial Network is:

Mo Mowlam (chair), CO

Wendy Alexander MSP, The Scottish Executive, Development Dept.

Hilary Armstrong, DETR

Paul Boateng, HO

Yvette Cooper, DH

Lord Falconer, CO

Patricia Hewitt, DTI

Kate Hoey, DCMS

Jane Hutt AM, National Assembly for Wales, Health and Social Services

Estelle Morris, DfEE

Jeff Rooker, DSS

Andrew Smith, HMT

Baroness Blackstone, DfEE

Arrangements for Network representation from Northern Ireland will be announced shortly.

I will announce a new work programme for the Unit in the summer of 2000, once it has finished its current project to develop the national strategy for neighbourhood renewal.

The full review report will be placed in the House library and on the SEU's website.

5. ACTION PLAN

5.1 The Prime Minister's announcement provides the broad framework for the SEU for the next period. This chapter sets out in more detail what this means in practice and covers:

A. Feeding into the Year 2000 Spending Review

B. Partnership with Departments

C. Follow-up to Published Reports

D. Relations with External Stakeholders

E. Topics

F. Internal Systems and Resources

G. Other Issues Raised by the Review

H. Publication of a summary of the Review's findings

A. Feeding into the Year 2000 Spending Review

5.2 One of the conclusions of the SEU review is that the Unit should link more closely into the process of budget setting on social exclusion policy across the whole of Government. This is now in hand.

5.3 Lead Departments have the responsibility for ensuring that the funding for past SEU projects is secured and ensuring that the targets become part of their Public Service Agreement, although the SEU ought also to take an interest.

B. Partnership with Departments

5.4 The review recognised that some element of friction or creative tension between the SEU and Departments may be inevitable. The support of Secretaries of State, their junior Ministers and Permanent Secretaries from the start of any new topic is seen as one of the keys to successful working relationships between the SEU and Departments.

5.5 The SEU could help develop ownership by making a contribution to Departments' mainstream social exclusion agendas and there should also be the opportunity for the

SEU to feed back their experience of dealing with cross-cutting issues back into Departments. The capacity to do this would need to be built into the Unit's staffing and structure.

5.6 There are a number of practical measures of general partnership working between the SEU and Departments that would improve relationships. The success of these measures will be looked at in the second review of the Unit in 2002. The measures include:

the SEU to build-in capacity to enable staff to contribute to Departments' mainstream social exclusion agendas and to share the experience of dealing with cross-cutting issues;

the SEU will ensure Departments are more involved in the selection, description and timetabling of projects (without changing the principle that in the end the Prime Minister decides which topics the Unit will cover);

the Unit will set up face-to-face meetings with the lead Minister at the outset of each project to specify expectations;

Departments will nominate a senior sponsor at board-level for each project to ensure a positive response and good Departmental co-ordination. This should produce agreement about keeping-in-touch arrangements and start the thinking early about hand-over and implementation. To promote continuity and save time, whenever possible one senior sponsor should cover all SEU projects and have the time and support to take an active interest;

The Unit will ensure that its planning processes and timetables allow Departments sufficient time for people to respond to requests for information or comments and to be properly involved;

Departments will consider freeing-up staff to work on the project from within the Department, but alongside SEU staff;

Departments will ensure that staff input to SEU projects is recognised in objectives, appraisal and bonus arrangements; and

more generally the staffing of the Unit should continue to include a broad range of Departmental and external secondees. Shorter attachments between the SEU and Departments should also be encouraged.

C. Follow-up to Published Reports

5.7 The evidence shows that Departments are making a good start to implementing the published reports but also that there is some scepticism, particularly from external stakeholders, about Departmental follow-up and implementation.

5.8 There is a difficult balance to be struck between Departments taking ownership of reports and at the same time the need for central oversight reflecting the Prime Minister's interest and ensuring that different topics are linking up appropriately, and that lessons are being learned for future SEU projects.

5.9 On a practical level, it is not realistic or desirable for the Unit to be directly responsible for implementing reports' action plans. It would require a continual increase in the scale of resource devoted to implementation as new topics are covered. Implementation has to be the responsibility of Departments.

5.10 There are a number of measures that if followed rigorously should make for successful implementation of projects and good working relationships between SEU and Departments. These include:

ensuring that there is an opportunity for face-to-face

discussion of final reports involving Secretaries of State and junior Ministers, rather than everything being cleared on paper;

precise handover arrangements from the SEU to Departments, making sure that implementation arrangements are in place, at least in "shadow" form, before reports are published. Permanent Secretaries might be asked to submit a more detailed action plan, e.g. for filling new vacancies, within a month of publication;

continuing to integrate targets from the reports into Departmental PSAs and performance management frameworks;

clear messages from the top to Departmental staff about the commitment and the priority of the action plan;

where appropriate, seconding Unit staff who have been working on the project to help set up the implementation arrangements;

regular follow-up meetings with lead and supporting Ministers, Permanent Secretaries and senior officials to monitor implementation;

a dedicated new follow-up resource in the SEU that would keep in touch, provide initial support to implementing Departments and share knowledge across the implementation of a number of projects; and

periodic reviews of whether the policy was making the intended impact on the ground, whether outcomes were being achieved and whether the policy needed to be refined or changed. These would be commissioned from an independent body by Ministers with support from the SEU.

5.11 This is a first set of thoughts. The SEU will consult with all those who might be involved by the end of February 2000 on how to build on this, with a view to an agreed set of arrangements being in place by Easter 2000.

5.12 To help take this forward the Ministerial Network under Dr Mowlam's lead should devote more time in future to monitoring the implementation of SEU reports. Its purpose should not be to duplicate the individual Departmental-led groups that currently take forward the conclusions of SEU reports, rather the Network should keep track of overall progress, compare experience and draw together lessons to be learnt for the future. The Network should help present and promote the Unit's work to the public and act as a sounding-board for its future work programme.

5.13 The Network will have the remit to take evidence from senior officials and other Ministers and, where necessary, to ask agencies outside Government to provide a perspective on the effectiveness of SEU reports on the ground.

D. Relations with External Stakeholders

5.14 The Unit has now worked with a huge range of external stakeholders, both inside and outside Government. The Unit has managed to get systematic dialogues going with some and the involvement of external secondees from a number of different sectors including housing, local authority, probation and the voluntary sector has also

helped.

5.15 But there is far more demand for contact with the Unit than it can ever meet, and there are some audiences where the Unit is only scratching the surface. There have been criticisms that the Unit is not able to visit particular areas at all or as much as local people would like. The Unit is usually unable to contribute to European and international initiatives.

5.16 External stakeholders believe that the Unit would benefit from a higher profile at regional and local level as well as in Whitehall and that this would really help to take forward the agenda for change. Although the news media coverage of the Unit and the reports has been widespread and overwhelmingly positive, many people at the front line have said that the reports do not get through to them and they are not aware of the Unit's work or how the reports may impact on them.

5.17 This is partly a general problem of dissemination, but for the voluntary sector it is also a question of expense. Reports are available on the Unit's website but this is of no help to very small groups that do not have access to the internet. There are strong arguments for the Unit to develop a more effective dissemination strategy, including making better use of the internet and arranging national and local conferences and seminars. The Unit could also make better use of a whole range of organisations with an interest in social exclusion that want to work in partnership and help disseminate its messages.

5.18 For the continued success of the Unit it is necessary that it should be able to meet these demands and develop a proper communications and dissemination strategy. The Unit will work up proposals to do this. The resourcing of this is considered further in the section on Internal Systems and Resources.

E. Topics

Choice of topics

5.19 There have been many suggestions for future topics, from the consultation, from within the Unit and from contacts inside and outside Government. Many groups would like to have a 'say' in the process of selection, and whatever topics are chosen there will inevitably be disappointment in some quarters. Some would also like to know why some topics are chosen and not others.

5.20 The first topics were chosen because they had a strong preventative angle and they fell between Departmental responsibilities. After discussion, the Review Group thought that setting very firm criteria for choosing topics could be limiting and over prescriptive.

5.21 The conclusion is that the Unit should continue to take on work with a strong social exclusion focus that falls between Departments, where it is likely to add most value and make the most difference and should continue to focus on prevention. Ultimately, this is a decision for the Prime Minister. Detailed scoping of the topics and a further reduction in numbers would then be necessary before an announcement in the summer.

Timing of topic announcement

5.22 The current work on the National Strategy for Neighbourhood Renewal will occupy most SEU staff until the summer of 2000.

5.23 The Unit's experience to date demonstrates that in dealing with complex topics it

is important to allow time for scoping before topics are publicly announced. The full task needs to be planned including the following steps:

agree the topic and clarify the scope of the study;

identify the steps and estimate the resources required to produce the report;

take decisions about research questions and commission research;

schedule resources in order to optimise team construction on the basis of skills and competencies together with experience and staff development considerations;

conduct study and draft report;

hold inter-Ministerial discussions to gain buy-in to recommendations and initiate implementation support;

find a time when the Prime Minister can launch it; and

hold a learning review at the end of the project so as to employ continuous improvement techniques and maintain staff enthusiasm and commitment.

5.24

5.25 Such a process takes around nine months. Of course it can be, and has been, done in less time. But timetables that are set need to recognise that shorter deadlines mean less time to consult, take in Departments' views and can result in a less complete or well-researched product. It is in the interests of both quality and "buy-in" that future work timetabling should be based on a proper advance scoping before a timetable is set.

5.26 In practice, this means that it would be desirable for any public announcement about the topics to wait until the summer of 2000.

F. Internal Systems and Resources

5.27 There are a number of key areas where the Unit will need to be strengthened if it is to take this work plan forward successfully.

5.28 The financing of the Unit, with contributions from a number of different sources, was originally intended to increase ownership and "buy in" from outside stakeholders. This has been complex to run. It also seems unfair that Government is being supported by donors who might otherwise be funding the voluntary sector. As soon as practical, the Unit intends to move to a single budget on the Cabinet Office vote.

5.29 It is also of course vital that, whatever the final shape of the Unit's work programme, it is properly structured and resourced to do it. This should include benchmarking against other comparable units.

5.30 This section has already identified the need for a new resource for follow-up to published reports and for a strengthening of the capacity for communications. Other key areas to strengthen are:

a) Central Services

The Unit has a very small number of staff performing some central functions. This is very stretched and puts great pressure on staff. Comparison with other similar units shows that they have much stronger and better-resourced central

support.

b) Research

The Unit has been praised for its use of evidence, but it has rarely been possible to commission customised work that looks at the questions it really needs to answer. The Unit is strengthening its staff to be better able to tap into the wider Government research networks. Its own research budget is tiny but others have been generous in helping out. A longer lead-time for projects and either more research resourcing or better links with Departments' budgets would enable a more thorough and strategic approach. The Unit should have the opportunity to feed-in bids before programmes are signed off.

Contribution to Government's broader policies on social exclusion /

poverty

The Unit has been able to contribute to the first Government report on Poverty and Social Exclusion produced by the Department of Social Security, to Sure Start and to other initiatives to tackle social exclusion. The expertise now available within the Unit means there is demand for more. Either staff time needs to be built in to deal with this or it needs to be accepted that the SEU cannot help.

5.31 The Unit will work up proposals on the future structure and resources necessary for the Unit to continue its work to 2002 and include these in the Cabinet Office budget setting process. Final decisions will need to be made in the context of the Cabinet Office's business plan for next year.

G. Other Issues raised by the review

5.32 The review raised the issue of who co-ordinates social exclusion issues across Government. Although this links to the work of the Unit, it cannot be resolved within this review.

5.33 There are now many initiatives across Government addressing social exclusion. The review has shown that there is increasing ownership of 'social exclusion' policy in Departments and the DSS work on 'Opportunity for all – Tackling Poverty and Social Exclusion' has also greatly helped to raise the profile.

5.34 On the other hand, the Unit would be able to do its job more effectively if its work could be seen to fit into a broader picture of how social exclusion is being tackled across Government. Any progress in drawing together the big picture, considering further work on the definition of social exclusion, improving overall co-ordination, and finding ways to minimise any perverse social exclusion effects of Departments' policies, would help the Unit and would also show what was being achieved through mainstream programmes.

5.35 In considering the next annual report on Poverty and Social Exclusion the Government should review whether current co-ordinating arrangements are adequate.

H. Publication

5.36 The review has been put on the SEU website and in the House of Commons library. Hard copies are available on request from the SEU.

Annex A: Ministerial Network / Remit and the Ministerial Champions Group

The Prime Minister has decided that the Ministerial Network on Social Exclusion should devote more time in future to monitoring the implementation of SEU reports. Its purpose should not be to duplicate the individual Department-led groups that currently take forward the conclusions of SEU reports, rather the Network should keep track of overall progress, compare experience and draw together lessons for the future.

In addition, the Prime Minister is keen that the Ministerial Network should:

help present and promote the Unit's work to the public; and

act as a sounding board for its future work programme.

The Prime Minister has asked Dr Mowlam to chair the Network

The future membership of the Network will be:

Mo Mowlam (chair), CO

Wendy Alexander MSP, The Scottish Executive, Development Dept.

Hilary Armstrong, DETR

Paul Boateng, HO

Yvette Cooper, DH

Lord Falconer, CO

Patricia Hewitt, DTI

Kate Hoey, DCMS

Jane Hutt AM, National Assembly for Wales, Health and Social Services

Estelle Morris, DfEE

Jeff Rooker, DSS

Andrew Smith, HMT

Baroness Blackstone, DfEE

Arrangements for Network representation from Northern Ireland will be announced shortly.

MINISTERIAL CHAMPIONS	
Each of the 18 Policy Action Teams, whose work will form the basis of the National Strategy for Neighbourhood Renewal, has a Champion Minister. The full list of Ministers is given below.	
CHAIR	Hilary Armstrong Minister for Local Government and the Regions

	Andrew Smith Chief Secretary to the Treasury
PAT CHAMPIONS	
1. Jobs	Tessa Jowell Minister for Employment, Welfare to Work and Equal Opportunities
2. Skills	Tessa Blackstone Minister for Education and Employment
3. Business	Stephen Timms Financial Secretary
4. Neighbourhood Management	Hilary Armstrong Minister for Local Government and the Regions
5. Housing Management	Nick Raynsford Minister for Housing, Planning and London
6. Neighbourhood Wardens	Charles Clarke Minister of State, Home Office
7. Unpopular Housing	Hilary Armstrong Minister for Local Government and the Regions
8. Anti-Social Behaviour	Charles Clarke Minister of State, Home Office
9. Community Self-Help	Paul Boateng Minister of State and Deputy Home Secretary
10. Arts and Sport	Kate Hoey Parliamentary Under Secretary of State (Minister for Sport)
11. 'Schools Plus'	Estelle Morris Minister for School Standards
12. Young People	Paul Boateng Minister of State and Deputy Home Secretary

13. Shops	Yvette Cooper Minister for Public Health
14. Financial Services	Melanie Johnson Economic Secretary
15. Information Technology	Patricia Hewitt Minister for Small Business and E-Commerce
16. Learning Lessons	Charles Falconer Minister of State, Cabinet Office
17. Joining it up Locally	Hilary Armstrong Minister for Local Government and the Regions
18. Better Information	Hilary Armstrong Minister for Local Government and the Regions

Annex B Organisations represented on the Review Group

Cabinet Office

Shelter

Joseph Rowntree Foundation

KPMG

Coventry City Council

Commission for Racial Equality

DETR

DfEE

HM Treasury

Lambeth Palace

No. 10

SEU
