



Department
for Work &
Pensions

Youth Unemployment Innovation Fund Pilot: Starts and Outcomes

Quarterly Publication

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This publication uses DWP Management Information and Payment data for the Innovation Fund Pilot to report on progress to March 2015.

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Introduction

1. The Innovation Fund is a pilot that was launched in April 2012. It is part of a wider package of support aimed at addressing youth unemployment. The Innovation Fund employs social investment partnerships to work with disadvantaged young people aged 14 years and over.
2. This publication contains official statistics on the total number of young people that started on the Innovation Fund and the total number of outcomes that have been achieved up to March 2015. The data is sourced through DWP Management Information and payment data.
3. This data is published in line with the Code of Practice for official statistics (see <http://www.statisticsauthority.gov.uk/assessment/code-of-practice/>).

Statistical tables

Number of starts

4. In total, 18,000 young people had started participation in Innovation Fund Projects up to the end of March 2015.
5. Table 1 below provides a breakdown of the number of young people who had participated in projects according to the commercial round in which the contract was let.
6. Table 2 provides a breakdown of starts on the Innovation Fund by the project participated in.

Table 1 – Cumulative Innovation Fund programme starts across the two rounds up to March 2015

	June 2014	September 2014	December 2014	March 2015
Round 1	11,400	12,300	13,000	13,700
Round 2	3,100	3,700	4,000	4,300
Total	14,400	15,900	16,900	18,000

(Source: DWP Management Information)

Table 2 – Cumulative Innovation Fund programme starts by project across the two rounds up to March 2015

	Jun-2014	Sep-2014	Dec-2014	Mar-2015
Round 1				
APM UK	2,600	2,800	2,900	2,900
Indigo Project Solutions	500	600	700	1,000
Nottingham City Council	3,600	3,800	3,900	4,000
Private Equity Foundation	1,000	1,000	1,000	1,000
Stratford Development Partnership for Regeneration	500	500	600	600
Triodos	3,200	3,500	3,800	4,200
Round 2				
Prevista	500	500	600	600
Social Finance Adviza	1,200	1,400	1,500	1,700
Social Finance COUI	900	1,100	1,200	1,300
3SC	400	600	700	700

(Source: DWP Management Information)

Number of Outcomes

7. In total, 21,500 outcomes were achieved in Innovation Fund projects up to the end of March 2015. Outcomes that can be claimed are listed on page 10.
8. Table 3 below provides a breakdown of outcomes according to the commercial round in which the contract was let. Round 1 outcomes are not exactly the same as Round 2 outcomes, so direct comparisons should not be made.
9. Table 4 breaks down these outcomes by project.

Table 3 – Cumulative Innovation Fund programme outcomes across the two rounds up to March 2015

	June 2014	September 2014	December 2014	March 2015
Round 1	9,400	11,600	12,800	13,400
Round 2	5,000	6,400	6,800	8,100
Total	14,400	18,000	19,600	21,500

(Source: DWP Payments Data)

Table 4 – Cumulative Innovation Fund programme outcomes by project across the two rounds up to March 2015

	Jun-2014	Sep-2014	Dec-2014	Mar-2015
Round 1				
APM UK	2,400	2,800	3,000	3,100
Indigo Project Solutions	500	600	700	800
Nottingham City Council	1,100	1,500	1,700	1,700
Private Equity Foundation	1,900	2,200	2,300	2,400
Stratford Development Partnership for Regeneration	300	500	600	600
Triodos	3,200	4,000	4,400	4,700
Round 2				
Prevista	700	700	900	1,100
Social Finance Adviza	1,400	2,100	2,300	2,600
Social Finance COUI	1,700	2,300	2,300	2,600
3SC	1,100	1,300	1,300	1,800

(Source: DWP Payments Data)

Notes:

- (i) Figures rounded to the nearest 100
- (ii) Totals may not sum due to rounding
- (iii) Round 1 Projects have been operating since April 2012
- (iv) Round 2 Projects have been operating since November 2012
- (v) Since the previous publication, we have changed our policy on revisions. Previously, the starts and outcomes for each quarter reflected the data available when the relevant release was published (e.g. the column for June 2014 reflected data available at the time of the publication in October 2014, which went up to June 2014). In this publication and going forward, data for all quarters may be revised. This is because the data is submitted to DWP on a monthly basis by providers. This data could be subject to duplicate records and missing information which may be rectified in subsequent months.

Background

The Innovation Fund

10. On 12 May 2011, the Government announced a package of measures to help address youth unemployment. These included a new Innovation Fund of up to £30 million over three years from 2012 to support social investment projects. The projects support disadvantaged young people and those at risk of disadvantage, aged 14 years and over.
11. The Innovation Fund has three key objectives:
 - Objective 1 – To deliver support to help young people who are disadvantaged, or at risk of disadvantage, helping them participate and succeed in education or training and thereby improve their employability, reducing their longer term dependency on benefits.
 - Objective 2 – Test the extent to which we generate benefit savings, other wider fiscal and social benefits, and deliver a Social Return on Investment.
 - Objective 3 – Support the development of the social investment market, the capacity building of smaller delivery organisations and generate a credible evidence base which supports social investment arrangements.
12. This pilot is a Payment by Results model. The Investors or intermediaries are paid solely on the basis of outcomes achieved.
13. The DWP is the first government department to commission Social Impact Bonds (SIBs) via an open competition. Of the 31 SIBs in the UK, ten are Innovation Fund projects.
14. There is a wide variation in Innovation Fund provision across the projects. DWP did not prescribe what delivery models should include; rather providers developed new and innovative programmes. This resulted in ten different models of delivery with all providers working towards different outcome measures.
15. More details about the individual projects and the Innovation Fund can be found at:

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/212328/hmg_g8_factsheet.pdf
16. The Cabinet Office has established a Social Impact Bond Centre of Excellence to support the development of more SIBs across the public sector. More details can be found at:

http://data.gov.uk/sib_knowledge_box/home

17. The Innovation Fund was commissioned via two rounds. The first round focused on 14-24 year olds and delivery started by April 2012. A total of six contracts were let in Round One. The table below provides details of the contracting bodies and the locations in which they are delivering. Total starts and outcomes for each contract can be found in the separate Excel document published alongside this release.

Contracting Body	Location
APM UK Ltd	West Midlands (every Birmingham Ward)
Stratford Development Partnership	Stratford, Canning Town, Royal Docks (Newham), Cathall (Waltham Forest)
Indigo Project Solutions	Perthshire and Kinross
Nottingham City Council	Nottingham City
Private Equity Foundation	Shoreditch London
Triodos Bank	Greater Merseyside

18. Round Two was aimed at disadvantaged young people and those at risk of disadvantage, aged 14 and 15. An additional four contracts were let in Round Two and delivery started in November 2012. The table below provides details of the contracting bodies in Round Two and the locations they are operating in. Total starts and outcomes for each contract can be found in the Excel document published alongside this release.

Contracting Body	Location
Prevista	West London
Social Finance (Adviza)	Thames Valley
Social Finance (COUI)	Greater Manchester (Manchester, Salford, Bolton, Oldham and Tameside)
3SC	South Wales (Cardiff and Newport)

Methodology

19. The figures presented in this release are based on DWP Management Information compiled from reports submitted by Innovation Fund projects and DWP payment data. Those figures relating to starts reflect the information captured by providers on participant numbers. Outcomes information is compiled using DWP data on payments made.
20. DWP provided a definitive list to contractors of the outcomes payable under the Innovation Fund. There were small revisions to the payable outcomes for Round 1 and Round 2 to reflect the different age groups that the two rounds were aimed at. The table below sets out the list of outcomes and illustrates which rounds they were applicable to.

List of defined outcomes for the Innovation Fund Round 1 and Round 2

Outcomes	Round 1	Round 2
Improved attendance at school	✓	✓
Improved behaviour at school	✓	✓
Improved attitude towards school		✓
Successful completion of an ESOL course	✓	
Attainment of an accredited QCF Entry level qualification (Below GCSE)		✓
Attainment of basic skills by young people over the age of 16		✓
Attainment of NQF ¹ Level 1 or equivalent qualification	✓	✓
Attainment of NQF ² Level 2 or equivalent qualification	✓	✓
Attainment of NQF ² Level 3 or equivalent qualification	✓	✓
Attainment of NQF ² Level 4 or equivalent qualification	✓	✓
Entry into first employment (16 or more hours per week) lasting at least 13 weeks including a training element (e.g. work-based learning) if under 18 years old	✓	✓
Sustained employment of 26 or more weeks	✓	✓

21. Projects decided which outcomes they would work towards so there is variation in the type and number of outcomes each project is aiming to achieve. The DWP payment model allows multiple outcomes to be achieved per participant.
22. However, each type of outcome can only be claimed once. There was also a maximum value that could be claimed per individual. The total value of outcome

¹ National Qualifications Framework

payments claimable for support provided to an individual participant is limited to £8,200 for Round 1 and £11,700 for Round Two participants.

23. The list of outcomes also included a clear definition of the outcomes and a list of evidence that was required alongside each outcome payment claim submitted to the department. For further details on the outcome payment descriptions and validation evidence, please see:

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/307155/round-two-provider-guidance.pdf

Revisions Policy

24. This publication shows the numbers of starts and outcomes on the Innovation Fund up to March 2015 as they appeared in Management Information and payment data for May 2015. Therefore, it does not include retrospective results claimed after this date. Figures for previous quarters have been revised since the last publication to reflect retrospective results claimed after this date.
25. In accordance with Principle 2 of the UK Statistics Authority's Code of Practice for Official Statistics, statistics within this publication adhere to DWP's statistics revisions policy, which explains how we will make revisions and inform users of our statistics when they occur:

<https://www.gov.uk/government/organisations/department-for-work-pensions/series/dwp-statistics-policies-and-procedures>

Future Content

26. We will review the content and specific breakdowns provided for future publications. We may include additional breakdowns of the nature of outcomes which may be of interest to some parties.