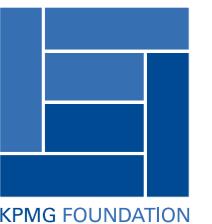


KPMG Foundation

Impact Report





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ABOUT THE KPMG FOUNDATION

The KPMG Foundation was established in 2001 with the objective of unlocking the potential of children in the UK who, for primarily social reasons, have not achieved their educational promise.

Over the next five years the Foundation is specifically looking to support projects that unlock the potential of children and young people:

- On the edge of care, in care or leaving care; and
- In deprived families.

The Foundation is funded by KPMG and managed by a board comprising external trustees and internal KPMG trustees. The board is especially interested in funding projects that are measurable, impactful and scalable.

OUR TRUSTEES

SIMON COLLINS (CHAIRMAN)

KPMG's UK chairman and senior partner

SIR GERALD ACHER CBE LVO

*Camelot Group deputy chairman,
Young Epilepsy president*

SURINDER ARORA

Arora International chairman

ROBIN CARTWRIGHT

Partner, UK Strategy Group, KPMG in the UK

MARIANNE FALLOON

KPMG's UK head of corporate affairs

LISA HARKER

NSPCC head of strategy

CLAIRE LE MASURIER

Corporate responsibility manager, KPMG in the UK

PETER SHERRATT

*Camfed chairman, Against Malaria chairman,
Lehman Brothers Foundation Europe chairman*



Foreword BY SIMON COLLINS

In today's competitive world, it has become more important than ever that our young people get the best possible start in life. And yet, for those living in care or from deprived backgrounds, the chance to fulfil their educational potential is often challenging.

By intervening as early as possible and giving young people the direct support they need, we can dramatically improve their future prospects and make long-term cost savings for society.

I am deeply proud of KPMG's support for the KPMG Foundation and the significant benefits brought to some of the most disadvantaged children and families in the UK. All businesses have a role to play in proving – through actions, not just words – that business is a force for good in society. Helping young people fulfil their potential, whether through the life-transforming work of the KPMG Foundation or through KPMG's employment programmes to help drive social mobility, is key to our corporate responsibility.

Since 2001, when the KPMG Foundation was established, we have made it our long-term commitment to improve the lives of many individuals in our communities. In fulfilling these aims, we have spent £10.8 million on 68 charitable projects. That is something we can all be extremely proud of.

Our particular focus on early intervention and education significantly helps to unlock the potential of individuals and communities. As trustees, one of our key objectives is to improve the outcomes of children in care and children in deprived families.

Within this Impact Report, you will read inspiring case studies of programmes we have been involved with that have helped turn people's lives around. From the individual case studies to the wider statistics, this is just part of the good work we've supported and, in several cases, driven.

The many success stories highlighted in this report give us all plenty to be proud of. But there remains much to think about and work still to do in the years ahead. If you are inspired to help, please email our director at jo.clunie@kpmgfoundation.co.uk.

Simon Collins

Chairman of the board of trustees



THE STORY SO FAR OUR MILESTONES

Since it was founded in 2001, the KPMG Foundation has helped more than 30,000 children improve their literacy and given more than £10 million to 68 UK charities. Here we outline some of our outstanding and sustainable achievements:

2001
The KPMG Foundation is launched, with the aim of unlocking potential in disadvantaged young people in the UK through education and social programmes.

2005
The KPMG Foundation launches Every Child a Reader to demonstrate the effectiveness of Reading Recovery as an intervention for children who, at six years of age, would otherwise not learn to read.



2001

2002
The KPMG Foundation funds the launch of the Buttle UK research 'Going to University from Care', to explore care leavers' experiences at university and understand why so few are reaching and succeeding in higher education.



2005

2006
The Quality Mark is launched by Buttle UK to address the needs of care leavers in aspiring to and progressing well through higher education.



2006
The KPMG Foundation commissions analysis of the long-term cost of illiteracy in the UK in support of the Every Child a Reader programme.

2008
The UK government commits to fund the national roll-out of Every Child a Reader to 35,000 children a year.



2008

2008
The KPMG Foundation establishes the Every Child a Chance Trust to deliver Every Child Counts, which aims to improve the mathematical skills of the poorest performing six- and seven-year-olds.

2011
Fifty-six per cent of UK Higher Education Institutions (HEIs) hold the Buttle UK Quality Mark, demonstrating policies and procedures that support care leavers in HEIs.

2011

2011
Some 30,000 children have been helped by Every Child Counts and the new government places responsibility for funding with individual schools through the Dedicated Schools Grant.

2012
In partnership, the KPMG Foundation and the Fostering Network launch the Head Heart Hands programme - aimed at improving the outcomes for children in foster care.



2013

2013
The KPMG Foundation celebrates its 12th anniversary and sets out a five-year plan to improve the outcomes of disadvantaged children in our society.

WHAT MOTIVATES OUR TRUSTEES



"The KPMG Foundation is an inspiring force for good. It changes lives by funding initiatives that support the most disadvantaged children. But it goes further than this. By bringing funders together and

investing in practice that has the potential to be taken to scale, the KPMG Foundation seeks to transform the life chances of a generation of children."

LISA HARKER
KPMG Foundation trustee



"We're not about the quick win - we want the difference we make to last. Strong measurement makes us respected among organisations working with disadvantaged people around the UK. It's not just about what is done, but what the impact is. Our unique strength comes from being a neutral but

highly informed organisation. The KPMG Foundation has a confidence in hard analytics and an objective honesty. A very high standard of professionalism within the KPMG Foundation motivates all of us as trustees."

PETER SHERRATT
KPMG Foundation trustee



OUTCOMES

"The Student Advice team has a dedicated member of staff who has been invaluable in providing advice on issues such as accommodation and managing my finances throughout my course."

"I would not have been able to pass my course without the extra support from college."

"It is particularly important that we understand retention and what affects it in the first year of their studies. We are confident that if care leaver students stay with us in the first year, they will complete their studies."

Buttle UK

Supporting care leavers in higher education

The KPMG Foundation is proud to have supported Buttle UK in developing its Quality Mark for universities that provide support for people leaving care – helping them reach and succeed in higher education.

In 2003, only six per cent of children leaving care made it into higher education, and a research study in 2005 found only one UK university with a comprehensive policy on care leavers.

This led Buttle UK to create the Quality Mark, which supports, recognises and celebrates the work of institutions in raising aspirations of young people and helping them succeed.

Of the students who received support under the Quality Mark, 62 per cent said it made their time at university much easier than it would have been without support, while 30 per cent said they would not have been able to continue at university without the support given to them under the Quality Mark.

Currently 56 per cent of higher education institutions in the UK have the Quality Mark, including 17 of the 24 Russell Group universities.

Buttle UK provides advice and support to universities to help them understand the challenges faced by young people from the care system and how to best support these young people.

The support offered by further and higher education providers for young people leaving care covers finances, accommodation and social needs. There is always a key contact, who will deal confidentially with individual needs.

In 2012, 49 further education colleges progressed through the process of applying for the Buttle Quality Mark and the intention is to spread that learning further, with more further education institutions encouraged to take part. Buttle UK has produced evidence that further education colleges can provide a key route to higher education for care leavers.

The KPMG Foundation has recently funded an evaluation of the Quality Mark, with recommendations that will help improve the continued roll-out of the programme and also inform thinking as the Quality Mark is rolled out to further education institutions.

WHY WE'RE INVOLVED

The number of students attending higher education from a care background remains extremely low across the UK: in Wales

only seven per cent, in England only six per cent and in Scotland only two per cent. The 2002 Buttle UK research identified the

barriers experienced by care leavers going to university and developed the Quality Mark, which was launched in 2006.



What the students say

"The support at my university has been great. There are named people we know we can go to and organised events for care leavers to get involved in."

"There is someone to talk to when I have a problem, since everyone else can go home to their parents. We can't and have to deal with everything ourselves."

"I am really grateful for all the support I have received from the university and would not have been able to do all I have done without it."



WHAT THE CHILDREN SAY

"I love my Reading Recovery lessons because I read some great books that I enjoy. Now I'm a good reader and help the other children in my class."

"When I started I found reading difficult. Now I can read lots of books. I feel good inside me and I feel proud of myself."

"ECaR has had a significant impact on the children involved. They have made amazing progress with their reading. It has significantly increased their life options."
ECaR teacher

Every Child a Reader

Expert one-to-one teaching for six-year-old children who are struggling to read and write

Originally developed through collaboration between the KPMG Foundation and the Institute of Education in 2005, Every Child a Reader (ECaR) is one of our most successful programmes to support the educational attainment of disadvantaged children.

Every Child a Reader focuses on improving the literacy skills of the poorest performing six- and seven-year-olds.

It provides skilled, specialist one-to-one teaching for the lowest achieving children, who receive a daily, 30-minute lesson from a specialist 'Reading Recovery' teacher for a period of up to 20 weeks.

The Reading Recovery teacher also contributes to raising the standards of the whole school by sharing with teaching staff and teaching assistants their specialist expertise in literacy development, common barriers to literacy learning and effective pedagogy.

The three-year pilot demonstrated teaching to 23,126 children and showed remarkable results for the children.

The KPMG Foundation also commissioned research to evaluate the long-term costs of illiteracy. The research showed that literacy difficulties are linked to costly special educational needs provision, truancy, exclusion from school, reduced employment opportunities, increased health risks and an increased risk of involvement with the criminal justice system.

Costs were allocated to each of these risks and used to estimate an overall return on investment of between £11 and £17 for every pound spent on the Every Child a Reader programme.

The Every Child a Reader programme was funded by the Department for Children, Schools and Families, Esmée Fairbairn Foundation, JJ Charitable Trust, KPMG Foundation, Man Charitable Trust, Mercers Company and Shine.

In 2008, the government funded the national roll-out of Every Child a Reader – reaching 35,000 children each year. The Institute of Education continues to offer Every Child a Reader to schools across the UK.

WHY WE WERE INVOLVED

In 2005, approximately 35,000 children in England – six per cent of all 11-year-olds – were leaving primary school

with the reading age of a seven-year-old. The children involved were predominantly socially disadvantaged.



THE RESULTS

A 21-month average gain in reading age after 40 hours of individual teaching

78 per cent of children return to age-related expectations

Tests at three and six months after the programme show children continuing to make gains

"The Every Child a Reader programme has changed the lives of thousands of children. The KPMG Foundation deserves huge credit for making it happen. It carefully researched what would work for struggling readers, brought other funding partners on board and was prepared to take calculated risks to get things going. It worked and has provided a widely admired model of large-scale change for others in the charitable sector to follow."
Jean Gross CBE, independent consultant and expert



WHY WE WERE INVOLVED

In 2007, more than five per cent of all primary school leavers – around 33,000 children – had not

progressed beyond Level 3 in mathematics. This number had changed little in the preceding decade.

OUTCOMES

"Numbers Count lessons are good because now I know numbers never stop."

"I thought maths was about doing sums but now I realise how much maths we do every day. Now I tell my teacher every time I make a 'new connection' and she thinks it's really funny. Sometimes she looks at me and says: 'have you made another connection?' – then I have to tell the whole class about it."

"I enjoy learning more about numbers. We have lots of fun and play games. I have learned how to double and halve numbers."



"ECC has had an amazing impact on the whole school because it has changed the way we teach maths."
Headteacher

Every Child Counts

Improving the mathematical skills of the poorest performing six- and seven-year-olds

Following the success of Every Child a Reader, the government asked the KPMG Foundation to develop a similar programme aimed at improving the poor mathematical performance of the lowest achieving children in primary schools.

In 2008, between 30,000 and 35,000 children of 11-year-olds (six per cent of their age group) were leaving primary school each year with numeracy skills at or below the level expected of a seven-year-old.

Every Child Counts (ECC) was launched in 2008 under a new trust, Every Child a Chance. It provided skilled, specialist one-to-one or small group teaching to the lowest achieving children, who received a daily lesson from a specialist 'Numbers Count' teacher for 12 weeks.

The Numbers Count teacher also contributed to raising whole school standards by sharing

with teaching staff and teaching assistants their specialist expertise in mathematical development, common barriers to learning mathematics and effective pedagogy.

By 2012, Every Child Counts had supported 47,000 children to improve their mathematics attainment.

As with Every Child a Reader, the Every Child Counts programme was independently evaluated by the University of Oxford. Regular reviews found that pupils taking part in Numbers Count achieved statistically higher results in tests than the control.

Ofsted praised the programme: "Support for individual pupils, through the school's Numbers Count programme, has led to significant progress in mathematics."

Every Child Counts is now being delivered by Edge Hill University.

THE RESULTS

15.7 months
average gain in Number Age after 3.7 months of support

92 per cent
of children were more positive about learning mathematics than when they started





Head Heart Hands

THE OBJECTIVES ARE:

- To develop key qualities and characteristics in foster carers that align with the social pedagogy principles of Head Heart Hands:
 - Head** – understanding child development theories relating to attachment and behaviour
 - Heart** – showing warmth, respect and high regard for the children in their care
 - Hands** – practical sharing of activities both inside and outside the home.
- To develop professional, confident foster carers who can demonstrate that the social pedagogic approach has increased their capacity to significantly improve the daily lives of the children in their care.
- To implement systemic and cultural change in support of social pedagogic practice, recognising the central role foster carers have in shaping the lives of children in their care.
- To provide a platform for the transformation of the role that foster carers play as part of the child's network.

This programme blends academic theory (head), the importance of emotions (heart) and practical activities (hands) to improve the outcomes of children in foster care across the UK

Our current care system is failing young people. Across other parts of Europe, children leaving care are far more likely to succeed than those leaving the UK care system.

In 2012, 90,000 children were in the care system. Of these, 74 per cent were in foster care.

The KPMG Foundation is co-funding Head Heart Hands, a three-year demonstration programme being delivered by the Fostering Network. Its objective is to demonstrate the impact that introducing social pedagogy can make to foster carers and the lives of the children they foster.

Social pedagogy is a well-established, proven approach to childcare based on solid academic roots. It provides a framework for engaging with a child at a much more fundamental level. Rather than emphasising processes and procedures, social pedagogy focuses on relationships and experiences, empowering and providing a framework for foster carers to help children find more stability, better outcomes and improved long-term wellbeing.

Social pedagogy already shapes how children in care are

looked after in many European countries. In England, six per cent of children from care proceed to higher education, while in Denmark 60 per cent of children from care proceed to higher education.

Through the Head Heart Hands programme, specialist European social pedagogues have been recruited to six sites in England and Scotland: City of Edinburgh, Orkney Islands and Aberlour Fostering (joint site), Staffordshire, Surrey, Hackney, and Capstone Foster Care in southwest England.

Twelve social pedagogues are working at these sites to help embed social pedagogy into practice and procedures. Currently, 240 foster carers are receiving social pedagogy training.

The Fostering Network is working with delivery partners Jacaranda Development, ThemPra Social Pedagogy and Pat Petrie from the Institute of Education. The programme is being evaluated by the Centre for Child and Family Research at Loughborough University.

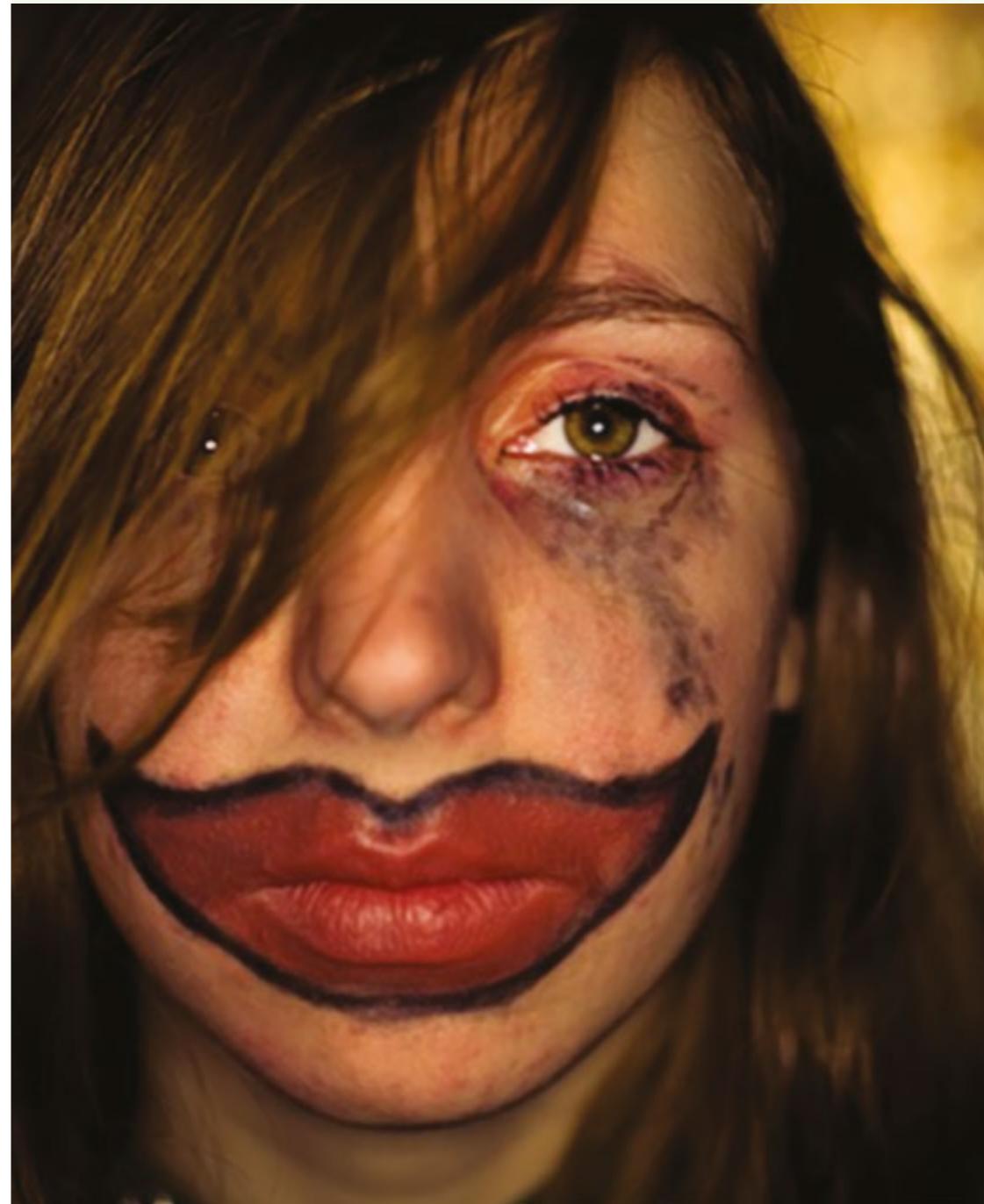
Head Heart Hands is funded by a coalition of charitable trusts led by the KPMG Foundation.

WHY WE'RE INVOLVED

Outcomes for children in care are poor. Only 13 per cent of children in care achieve five good GCSEs compared to 58 per cent among their peers and just

six per cent of children in care proceed to higher education. A child in care is 10 times more likely to be excluded from school, while 40 per cent of

young people under the age of 21 in custody have been in care. In the UK we currently spend £2 billion on children in care and yet outcomes remain poor.



“What I show isn't always what is truly going on inside. Often you see a smile but what you don't see is that I am crying behind that grin.”

This photo featured in a photographic exhibition by children in care curated by Luton Churches Educational Trust.

“Social pedagogy is really starting to change my thinking about my whole life, education, myself, other people and ultimately what it is to really put our foster daughter front and centre and help her to be all she can be.”

Foster carer on the Head Heart Hands Programme



Future aspirations

The aspirations and expectations of the KPMG Foundation, established by our founding trustees in 2001, were ambitious and courageous. For a corporate foundation to focus on the most disadvantaged children in our society and show such commitment to improving their outcomes is inspirational.

The range of programmes we have supported has enabled us to significantly contribute to improving the lives and life chances of many disadvantaged children. Some of the programmes have progressed to be hugely influential within the UK, as demonstrated in this report, and some have remained less visible but no less influential for the individuals they serve.

We are looking forward, again with high expectations, to the next five-year period. We are committed to doing our best to improve the outcomes of children in care and children in deprived families.

We have high expectations of the Head Heart Hands programme to make a meaningful contribution to understanding how we can improve the outcomes for children in care. While education is a key to unlocking potential, it is important to recognise that emotional and social literacy underpins the ability to take advantage of education opportunities.

There is still much work to do but we look forward to that work and to achieving real sustainable impact for the children we support.

Jo Clunie
Director, KPMG Foundation

Our involvement



“Being a trustee of the Foundation is what I am most proud of in my career at KPMG.”

“The Foundation combines a unique ability to ferret out insights and information about where our children are suffering the most in the UK, and combine it with a compassionate zeal required to turn that insight into successful programmes to alleviate that inequality – from Every Child a Reader through to our latest Head Heart Hands programme.”

ROBIN CARTWRIGHT

Trustee and partner, UK Strategy Group,
KPMG in the UK



“We have given more than £10 million to more than 60 charities since we began in 2001.”

“The outcomes for looked-after children in the UK are not good enough and we are driven to contribute to making an improvement in both the ‘experiences of care’ and the outcomes for children in care. Whereas 58 per cent of the general population achieves five or more good GCSEs, that figure is only 13 per cent for the care population. This figure must be changed.”

CLAIRE LE MASURIER

Trustee and corporate responsibility manager,
KPMG in the UK



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