

AGENDA ITEM 8

Cabinet	FP/817/04/12
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TROUBLED FAMILIES PROGRAMME

Report by Councillor Sarah Candy Cabinet Member for Children's Services

Enquiries to Elaine Fulton, Head of Prevention and Local Partnerships, Schools Children and Families

1. Purpose of report

To inform Cabinet of the requirements of the Government's Troubled Families programme for Essex County Council and our partners and outline options for local implementation.

2. Decision Areas and Recommendations

Cabinet is asked to comment on and note the requirements of the Troubled Families programme and the options outlined for implementation in Essex.

3. Background, context, and area of the County affected

▪ **Background and context**

In recent years, there has been an increasing focus on the development of support and provision for families, rather than the traditional focus on individual family members for assessment and service provision, linking back to 'Think Family' (Reaching Out: Think Family Social Exclusion Unit Cabinet Office 2007).

During 2010, Essex was selected as one of sixteen areas across the country for phase 1 of Community Based Budgets with a focus on families with complex needs (the **essexfamily** programme). At the end of 2011, the Department for Work and Pensions (DWP) issued contracts which use European Social Fund (ESF) funding to tackle inter-generational worklessness within families and, most recently, the Whole Essex Community Budget (one of four national phase 2 pilots) has identified families with complex needs as one of its four strands and the Coalition Government formally launched its new 'Troubled Families' programme on 28 March 2012.

When combined together, these programmes and initiatives afford an outstanding opportunity to turn around the lives of families in Essex where there have been longstanding, often inter-generational, complexity and dysfunction. It is estimated that the cost to public services in terms of social care, health, welfare benefits etc is between £75,000 and £125,000 per year per family.

The approach in Essex is dual pronged: firstly, to tackle the estimated 2,220 families where there is existing and often longstanding difficulties and secondly, to identify families who may become dysfunctional to ensure that help and assistance are offered earlier, preventing the need for more intensive and expensive intervention later.

The Troubled Families programme will connect closely to other services and programmes within a continuum, which includes local delivery mechanisms such as children's centres and those commissioned locally from the voluntary and community sector. At the higher end of the spectrum is a range of specialist family support delivered to those families with the most complex needs, often at the edge of Local Authority care and other specialist services, by the Youth Offending Service, Children's Social Care and others.

Appendix 1 of this paper illustrates this continuum within the wellbeing model, mapping needs from universal services through to specialist services (including child protection and services for children in care). It is envisaged that a combination of good universal (level 1) and targeted services (level 2) will reduce significantly the volume and cost of specialist (level 3) services. The Troubled Families programme is shown within the middle section of this 'windscreen'.

The Troubled Families Programme

Within this broader context, the Government's Troubled Families programme relates to a cohort of families with specific requirements based on a part Payment by Results model, aiming to turn around the lives of 120,000 families across the country by 2015. The Department of Communities and Local Government (DCLG) have estimated that 2,220 of these families are resident in the Essex County Council area.

Definition of 'Troubled Families'

For the purposes of the programme, 'troubled families' are those households who:

- Are involved in crime and anti-social behaviour
- Have children not in school
- Have an adult on out of work benefits

A specific process has been developed to identify those families matching the defined criteria. In addition, local discretionary criteria can be identified by Essex County Council and partners as a fourth filter, covering those families who cause high cost to the public purse.

The first stage of implementation of the Troubled Families programme is the compilation of the list of families matching the criteria. DCLG has provided grant funding of £20,000 in 2011/12 and £200,000 per year for three years from 2012/13 to support implementation through Troubled Families Coordinator post(s). In Essex, it has been proposed that this funding is used to develop four Troubled Families Coordinator roles, one per quadrant, in charge of drawing up and refreshing the list of troubled families, building on existing capacity, partnerships and programmes in each locality.

The process of data matching and filtering, a precursor to the identification of eligible families in Essex, is underway. A significant support in this process is the recent agreement of the Department of Work and Pensions (DWP) to allow, for the first time, Job Centre Plus to provide information on those families meeting the crime and education criteria who are also in receipt of benefits. This may also impact on local implementation of the ESF programme in Essex (mentioned above).

(Part) Payment by Results Mechanism

Based on national and international evidence, it is estimated that an average investment of £10,000 is required per family to achieve the outcomes sought by the Troubled Families programme. Should the outcomes be delivered, a payment of £4,000 per family (40%) has been offered. However, on the basis that a number of the 2,220 families will already be in the system, DCLG will only

apply payment by results to five out of six of the families engaged (1,850), a potential payment of £7.4 million over the three years of the programme.

Mindful of the potential for double counting, DCLG has excluded those families in receipt of a number of programmes and initiatives from the Payment by Results aspect of the Troubled Families programme. This includes the ESF programme, Work Programme, Multi-Systemic Therapy (MST) pilots, Family Intervention Programmes and some targeted interventions funded via the Early Intervention Grant (to be clarified).

In recognition that Local Authorities will incur set up / implementation costs, DCLG are offering a portion of the potential Payment by Results as an upfront 'attachment fee' of 80% of the total £4,000 payment per family (this percentage will reduce to 40% by year three).

The DCLG has proposed a largely self-declaration process for confirming the local results in turning around troubled families. This should be approved by local Internal Audit arrangements and, in addition, a small number of spot checks will be conducted in a sample of areas.

Essex County Council must inform DCLG of the number of families to be part of the Troubled Families programme during its first year by 30 April 2012 in order to release an appropriate attachment fee. Further analysis and development of the delivery model is required before the end April deadline to identify this figure for Essex. It is anticipated that 1,850 families will be supported under this intervention.

Options for the Delivery Model in Essex

The Troubled Families programme requires local investment in innovative and targeted provision by Essex County Council and our partners averaging £10,000 per family. It is envisaged that the local voluntary and community sector could play a significant role in delivery of the programme. A number of options (and combination of options) is being considered, requiring the identification and allocation of some additional funding and/or refocusing of existing resources, as follows:

- Build on existing commissioned provision, for example, through the 86 children's centres across Essex. The new children's centre contracts which commenced on 1 April 2012 require the provision of more targeted services, including for those families potentially falling within the Troubled Families definition. It is anticipated that those children's centres which developed from the original Local SureStart Programmes (Harlow, Colchester, Basildon and Clacton) and the former Children's Trust Pathfinder in Braintree may be best placed to participate in the Troubled Families programme in year one. Clarification from DCLG that this element of the Early Intervention Grant is not excluded from the Troubled Families programme, procurement and legal advice and, finally, negotiation with the four lead bodies would be required before proceeding with this option.

- Build on existing Essex County Council direct service delivery, for example linked to the developing Divisionally-Based Intervention Teams (D-BIT), Children's Social Care and/or Youth Offending Service Early Intervention Programme. This would require a shift in practice and delivery models within service(s), additional recruitment and could distract from services' core business.
- Build on existing **essexfamily** prototype projects. Of the five local prototype projects, three are developing innovative approaches to front-line work with and support for families with complex needs (Harlow, Tendring and Colchester). However, only the Harlow prototype is operational as yet, with Colchester and Tendring currently procuring a delivery partner, so this would restrict the scope of this option. In addition, the Whole Essex Community Budget Families with Complex Needs work-stream is reliant on the **essexfamily** prototypes focusing on the development of broader systemic changes (in common with the Basildon and Castle Point and Rochford prototype projects) and a focus on the specific requirements of the Troubled Families programme could have an adverse impact on the wider work underway.
- Commission new targeted provision, using the national and international evidence base to develop appropriate specification(s). The commissioning and procurement timeline would impact on the speed of delivery of this option and would require identification of new resources. However, this option could support the potential for a more radical redesign and reshaping of targeted provision which is likely to emerge from the Whole Essex Community Budget work-stream.

Each of these options and combinations of options are being explored to understand the relative cost, risk and potential benefit. This is a precursor to the submission to the DCLG of the numbers of families to be engaged in the Troubled Families programme in its first year.

Relevance to ECC's corporate plan and other Strategic Plans

- ECC's corporate vision sets out an aspiration to make Essex a vibrant place where every individual and community has the opportunity to grow and reach their potential and play a part in our county's success.
- One of ECC's 5 corporate priorities to deliver our vision is: 'Protecting and safeguarding vulnerable people'

The delivery of the Troubled Families programme is a key element of the integrated approach to families with complex needs in Essex, one of the four strands of the Whole Essex Community Budget. As such, it is central to Essex County Council's commitment to Government and to delivery of the corporate plan.

Internal and External Consultation

To date, consultation in relation to the Troubled Families programme has involved partner agencies involved in the **essexfamily** programme (phase 1 Community Budget pilot) in particular and partners and stakeholders involved in the Whole Essex Community Budget programme. Further specific engagement and consultation with partners and with families will be part of the development of the implementation plan for the Troubled Families programme as appropriate.

Legal Implications (Monitoring Officer)

- Details of legal implications will emerge as part of the analysis of the options for delivery outlined above.

Finance and Resources Implications

- Additional money is being offered to Local Authorities to pay for up to 40% of the cost of 'turning around' families. This will be paid primarily on a payment-by-results basis which will be phased in over three years. An upfront 'attachment' fee will be available to cover costs associated with re-structuring services, taking on new staff or commissioning services.
- For 2012/13, the attachment fee will be set at 80% of the total amount available, reducing to 60% and 40% in the following two years. £4,000 will be made available for each troubled family. £3,200 is available in the 'attachment' fee. The remaining £800 made available through the payments-by-result scheme.
- The largest results-based payment is attached to moving parents off out-of-work benefits and into employment, at £800 per family. There will be a £100 payment if a family is moved onto a path to seek work and for the residual £700 a family, local authorities must achieve the three following factors where they are relevant to families concerned:
 - Each child in the family must have fewer than 3 fixed exclusions and less than 15% of unauthorised absences in the last 3 school terms
 - There must be a 60% reduction in anti-social behaviour across the family in the last six months
 - Offending rate by all minors in the family, must have reduced by at least a 33% in the last six months
- DCLG estimate that 2,220 of these families are resident in Essex and as there are a number of programmes already working with and proposed for this group of troubled families, for example the £200m European Social Fund provision working with those furthest away from employment and our own proposed Early Intervention Programmes; Intensive Family Support (IFS) / Divisionally-Based Intervention Teams (D-BIT), and Multi Systemic Therapy (MST), it is anticipated that only 1,850 of the families will be supported under this intervention. This provides a maximum figure of £7.4 million which over the life of the scheme.

- This figure must be treated as indicative only as the actual number of engagements is unknown and Local Authorities will be expected to pool budgets of different services in order to support the families, which, it is hoped, will save on costs across the multiple agencies. The balance between a refocus of existing resources and requirement for additional resources is being assessed as part of the ongoing delivery options appraisal process.

Human Resources Implications

- The recruitment process for the four Troubled Families Coordinators and Families with Complex Needs Coordinator (funded by separate DCLG grant) is underway with job profiles being evaluated. It is anticipated that these posts will be filled through internal secondments. Wider Human Resources implications are being assessed as part of the development of the detailed Troubled Families implementation plan.

Equality Impact Assessment

- An Equality Impact Assessment will be completed as part of the assessment of detailed delivery options outlined above.

Background papers

- Financial Framework for the Troubled Families programme's payment-by-results scheme for local authorities (DCLG, released 28 March 2012)

Appendix 1: The Family Wellbeing Model

