



City of Westminster

Cabinet Member Report

Decision Maker:	<i>Cabinet Sub Committee</i>
Date:	<i>17 August 2012</i>
Classification:	<i>For General Release</i>
Title:	<i>Troubled Families</i>
Wards Affected:	<i>N/A</i>
Financial Summary:	<i>The Financial Implications are set out in paragraph 5.</i>
Report of:	<i>Director of Children's Services</i>

1 Executive Summary

- 1.1 In December 2011, the Government launched its programme to turn around the lives of the country's 120,000 most troubled families: those experiencing multiple problems and disadvantages such as unemployment, truancy and causing problems such as crime and anti-social behaviour at an annual estimated cost of £9 billion. The Government has estimated that there are 1720 troubled families in the Tri-borough local authorities that meet the criteria they have set.
- 1.2 The programme will run for three years funded by a combination of attachment fees and on a "payments by results" (PBR) basis to incentivise local authorities and other partners to prioritise this work.
- 1.3 This report updates Members on:
 - 1.3.1 The work which has been undertaken in identifying the troubled families in the Tri-borough according to the Government's criteria
 - 1.3.2 The work undertaken within services and partners on developing a proposal for implementing the Troubled Families Programme within Tri-borough
 - 1.3.3 The proposal for delivering the programme across the Tri- borough

2 Recommendations

Cabinet Members for Children's services / Cabinet are requested to:

- 2.1 Approve the proposed delivery option
- 2.2 Give the Executive Director of Children's Services delegated authority to establish the Tri-Borough intelligence and monitoring desk
- 2.3 Give the Executive Director of Children's Services delegated authority to develop the 'wrap around' service package which will be primarily delivered by the Family Recovery Programme

3 Reasons for Decision

The Troubled Families Programme is an important new programme for the Tri-borough Local Authorities and will require considerable annual expenditure, to be authorised by the Cabinet, of the funding provided by the Department for Communities and Local Government.

4 Background

- 4.1 In December 2011 the Prime Minister announced additional funding for local government of £448 million over 3 years to turn around the lives of 120,000 troubled families in England. Troubled families are a Government priority because of both the poor outcomes experienced by these families and their impact on the communities they live in, and because of the huge cost they impose on the public sector.
- 4.2 The DCLG Troubled Families offer is that if local authorities can intervene in the most troubled families and secure positive outcomes in terms of gaining employment, reducing youth offending and anti-social behaviour and improving educational attendance, they will receive a success payment. Authorities are expected to make their own investment in services that will 'turn around the behaviour and lives' of troubled families. Payment is only made on successful outcomes. The payments will be staged with an upfront attachment fee and a payment on results.
- 4.3 The Children's Cabinet Members were briefed on the Troubled Families Programme in May 2012, confirming that we would come back to Members in July/August with a proposal for implementing the Troubled Families Programme.

- 4.4** We have confirmed to (DCLG) that we will establish a service that will:
- 4.4.1 Oversee and account for successful engagement with troubled families in the area over the next 3 years, for which we will be eligible for funding from within the payments by results element of the programme
 - 4.4.2 Provide a figure of the number of families we aim to start working with within 2012-13 and the number of upfront attachment fees we will be claiming
 - 4.4.3 Agree to work closely with European Social Fund (ESF) and work programme providers
 - 4.4.4 Support and take part in research, learning and evaluation of the programme
 - 4.4.5 Appoint a Troubled Families Co-ordinator to run the programme locally.
- 4.5** Tackling the issues surrounding troubled families is not new. We have undertaken a variety of programmes across the Tri-borough area in the last 3 years - Westminster's Family Recovery Programme and Kensington and Chelsea's Family Intervention Programme focus on a small number of the most high need, high cost families, and the Hammersmith and Fulham localities approach deals with a larger number of less high need families. There is ample evidence that these approaches work however there have been insufficient funds to scale up to address the needs of all the families potentially in scope.
- 4.6** Analysis has provided us with insights into the make-up of the Troubled Families Programme cohort; their needs and likely service requirements. It is important to note that the Troubled Families Programme cohort and a wider group of Families with Complex Needs are different and that there are varying degrees of need within each of the two cohorts. Some will simply need advice and signposting whilst others will have a complex network of support and have many unmet needs. There will therefore need to be a range of interventions to support these families – both to deliver the results to obtain the PBR and equally to enable families to make and sustain changes that improve their lives and reduce the demands, risks and costs to local and national public services.
- 4.7** The 'cohort' for the Troubled Families Programme is not going to be homogenous. Not only are the 'problems' presenting going to vary in their degree and intensity within each family, but the main services who interact with the families vary (e.g. the Youth Offending Team, Children's social care, Housing and Anti-Social Behaviour teams).

- 4.8** The steering group has endorsed the following suggested design criteria for any service offer. The new service offer needs to:
- 4.8.1 Work with the grain of existing service delivery and support statutory services, not seek to replace it or create another delivery silo
 - 4.8.2 Maximise the opportunities offered by the DCLG Troubled Families Financial Deal, but minimise the risks posed by PBR
 - 4.8.3 Establish a triage/ assessment process (particularly in relation to the DCLG Troubled Families Cohort as it is likely that 75% are current statutory services clients, and additional services may not be appropriate or needed) to ensure that need is met in an appropriate way
 - 4.8.4 Maximise the opportunities for cross council and partner working
 - 4.8.5 Be adaptable and able to flex to deal with any implications, and maximise the opportunities from the Whole Place Community Budget (the Families and Justice themes in particular).
- 4.9** From work in Westminster delivering the Family Recovery Programme and from the national research of Family Intervention Programmes, we have identified some basic delivery design principles which we know work with families with complex needs which will apply to a proportion of the Troubled Families cohort:
- 4.9.1 Intensity – persistent key worker with small caseloads and with pace and a clear grip on the problem;
 - 4.9.2 Practical whole family support – e.g. housing, parenting coaching, substance misuse, domestic violence and mental / emotional distress, debt management, affordable childcare, referral to ‘family friendly’ employment support, interventions to prevent youth offending and anti-social behaviour
 - 4.9.3 Highly effective identification and monitoring systems – particularly the use of the intelligence desk
 - 4.9.4 Single, integrated care pathway with co-located staff (either local or ‘wrapped around’ a service) so that interventions from multiple agencies are targeted and delivered at the right time ensuring co-ordination and minimised duplication
 - 4.9.5 Case management and monitoring across service areas
 - 4.9.6 Seamless support: access to relevant support which families respect such as the community and voluntary sectors, mentors, restorative approaches, conflict resolution, education support.
 - 4.9.7 The use of third sector providers - with expertise and credibility in offering services for therapy, employment, offending and domestic violence

4.9.8 Balance of sanctions and rewards - use of robust family agreements and strong monitoring and enforcement of persistent youth offending and ASB.

4.10 The preferred delivery option (from the steering group and the wider design workshops) is to develop an in-house Tri-borough single triage/ assessment/ intelligence, case management and monitoring function for troubled families, and provision that will 'wrap around' existing statutory services to deal with the complexity of issues experienced by troubled families. The provision for wrap-around would be based upon allocation and case management by the central team. The wrap-around provision could be paid for by Attachment Fee, or if the wrap-around is outsourced a mixture of Attachment Fee and PBR (as in many of our work programme third sector contracts currently). Detail on the 'wrap around' services cannot be established until we understand the cohort fully, but for Westminster will be based upon the existing Family Recovery Programme.

4.11 The single Tri-borough team to carry out assessment, single care/ intervention plan, allocate resources and monitor with service delivery through a wrap-around of the main service delivery point has the following benefits:

4.11.1 Opportunity to develop intelligence capacity across three boroughs, with an intelligence function, and opportunities to combine with MASH (Multi-Agency Safeguarding Hub)

4.11.2 Opportunity for best practice to be shared across three boroughs

4.11.3 Efficient/ effective use of specialised resource including procurement and commissioning

4.11.4 Mitigates the PBR risk but maximises resources available

4.11.5 Enables the allocation of services and performance (and therefore the PBR) within each borough to be recognised, with money following success with individual families in individual boroughs and charges for service usage

4.11.6 Ability to develop an evidence base of what works over time to drive better commissioning decisions, and develop sustainable investment mechanism

4.11.7 Ability to work with partners on the joint delivery of 'wrap around' services

4.11.8 Ability to 'wrap around' partner services (e.g. Registered Providers, GPs, ALMOs, etc.)

4.11.9 Potential to explore social investment for those outcomes paid for on a PBR basis.

4.12 There are a number of strategies which will be deployed to mitigate any risk of building in a dependence upon Payment By Results as follows:

- 4.12.1 Plan the initial investment in additional Troubled Families provision on the basis of the average level of attachment fees, thereby enabling the actual progress in achieving PBR to determine any additional flexing up of investment
- 4.12.2 Weight the provision of additional 'wrap around' services to our in-house Family Recovery Programme, where the scale of provision can be flexed up and down rapidly
- 4.12.3 Continue to explore options for social investment for some sub-cohorts of Troubled Families, where the risk of PBR can be shared with an external investor.
- 4.13** This innovative new service design has been explored and endorsed by local partners. The establishment of a single intelligence and monitoring unit which tracks all of the data about a family in one place will enable a single team to assess their needs, put in place the right interventions in a coordinated and phased way, and continually monitor progress. This new service will work with families alongside the existing statutory services, wrapping around those services – adding value not duplicating. The offer is of an integrated, and where needed, intensive family intervention plan, with specific services for adults and children in place, phased effectively with progress monitored by the intelligence and monitoring unit. This new design has many advantages: a single multi agency team to identify and plan a proportionate response; targeting resources at need; ability to engage voluntary sector in providing services they are best at; ability to commission services on a PBR basis; ability to move to social investment in cases where the business case stacks up.
- 4.14** It is anticipated that this approach will produce better outcomes and deal with families with complex needs at scale, and could enable the local authorities and their partners collectively to realise cashable savings through reduced demand on public services. In terms of high intensity FRP type approaches, we have evidence on the costs avoided and cashable efficiencies from the work that Hammersmith and Fulham and Westminster undertook with the Cabinet Office.
- 4.15** This delivery option is flexible in relation to finance. It allows accounting for individual borough's performance and therefore the success payments be accounted for on a borough basis. There is interest in social investment mechanisms for this cohort. The separation of the Tri-borough team from the 'wrap around' additional services provided, and the ability to procure those from the voluntary sector (if the case is made) will enable decisions to be made on a borough basis as to the desirability and opportunity for seeking social investment.

5 Financial Implications

5.1 The Troubled Families Programme is a Government sponsored initiative that seeks to support local authorities in their efforts to change behaviours that will deliver significant reductions in social expenditure across the public sector.

5.2 The funding model is established over three years and is split between a reward based mechanism that recognises familial changes in behaviour and an upfront payment that allows local authorities sufficient certainty over funding in order to establish those mechanisms that can be tested to see if they work in changing behaviour. This is the approach being adopted in the Tri-borough Children's Service where it is planned to apply the guaranteed funding to establish front-end processes and interventions that will enable teams to establish the appropriate support required to deliver the project's objectives. Approval is being sought to establish funding for the Tri-borough service to be funded through the Attachment Fee that will enable the trialling of a number of initiatives to maximise the payment reward achieved through changing behaviour. In the first instance, in this report we seek approval to recruit to the information and triage desk, followed by wrap-around provision provided by the Family Recovery Programme.

5.3 Costings for the Information and Triage desk for Troubled Families include on-costs.

1 x social work manager, band 4, step 2, £55, 241 (start September - half year cost 2012/13)

2 x civilian analysts – band 3, steps 1-3, £39,281 x 2 = £78,562 (start September - half year cost 2012/13)

1 x BSO, band 2, £35,221 per annum (start September- half year cost 2012/13)

1 or 2 police officers (in kind)

Total year 1 = £84,512

And then years 13/14 and 14/15 = £169,024

5.4 Upfront monies have been made available for capacity building, through the appointment of a Troubled Families coordinator. In addition DCLG are offering a maximum payment of £4000 for every family successfully 'turned around'. This is a mixture of Attachment Fee and a success payment. The balance of Attachment Fee to PBR payment varies over the three years of the Programme. In the first year the payment is 80% Attachment Fee, with DCLG recognizing that local authorities will take time to re-design/scale up services. By year three however, 60% of the payment is on success through PBR.

5.5 The results for which DCLG will pay are:

5.5.1 Offending/ASB reduced AND school attendance improves – £3,900 per family;

5.5.2 Referral to a DWP European Social Fund provider - £100 per family; OR

5.5.3 At least one adult has moved off working age benefits into continuous unemployment - £4000.

5.6 To reflect the difficulty that local authorities face, the Government has structured their offer so that there is a guaranteed attachment fee and an outcome fee based on the successful achievement of results. This is managed over the three years by a sliding scale with greater emphasis on results as set out below:

Successful Family Payment	Attachment Fee	Payment by Results	Total
Year1	£3,200	£800	£4,000
Year2	£2,400	£1,600	£4,000
Year3	£1,600	£2,400	£4,000

5.7 The Government is seeking a commitment across the three boroughs to oversee and account for successful engagement with up to 1,720 troubled families over the next 3 years, 1,441 of which are eligible for funding from within the payment by results element of this programme. The eligibility criteria are based on the presumption that existing targeted funding, e.g. European Social Fund employment programme for families, is already available to support 1/6 of the identified troubled families.

5.8 The breakdown of families across the three boroughs is set out below and includes the total available funding over the three years should the service be successful in ensuring that all families met the targets set. The total level of funding for the next three years could be as much as £5.76m across the Tri-borough, subject to achievement of results.

	Target No of Troubled Families	Eligible Number	Total over 3 years.
Hammersmith & Fulham	540	450	£1,800,000
Kensington & Chelsea	400	333	£1,332,000
Westminster	790	658	£2,632,000
	1,730	1,441	£5,764,000

5.9 The financial framework requires authorities to predict the numbers of families they will support in 2012/13 and therefore the number of upfront attachment fees. As a guide the Government has budgeted for a third of the 120,000 troubled families nationally to be worked with in 2012/13 though they encourage authorities not to be restricted in their plans by that assumption. The following table sets out an exemplification of the funding available in 2012/13 based on the assumption that the number of troubled families are supported in equal numbers over the three year period.

2012/13	Troubled Families	Eligible Number	Attachment	PBR	Total
Hammersmith & Fulham	180	150	£480,000	£120,000	£600,000
Kensington & Chelsea	133	111	£355,200	£88,800	£444,000
Westminster	263	219	£701,867	£175,467	£877,000
	577	480	£1,537,067	£384,267	£1,921,333

5.10 Whilst the same level of funding is available over the three year period it is important to appreciate that the gearing will change so that by 2014/15 the differential between the amount of attachment fee and payment by results will have altered significantly. It is essential to realise that this total level of funding is only available if all of the eligible families are supported in the programme to achieve the reported targets.

6 Legal Implications

There are no particular legal implications arising from this report.

7 Consultation

Ward Members have not been consulted as the proposals are not ward specific at this stage. A comprehensive group of interested Tri-borough statutory and provider organisations have been consulted. There has also been engagement with the two local neighbourhood community budget areas in White City and Queen's Park.

If you have any queries about this Report or wish to inspect any of the Background Papers please contact:

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BACKGROUND PAPERS

Cabinet members' briefing on Troubled Families for Tri-borough Children's Services, April 2012

Evaluation of staff and parents' experiences of the Westminster City Council 'Work Focussed Services in Children's Centres' pilot, completed in September and October 2010

Local Authority Child Poverty Innovation Pilots' Evaluation: Final Synthesis Report, GHK Consulting/DfE, 2011

Making decisions about working in one-earner, couple households, Collard & Atkinson, 2009

Turning around the lives of families with multiple problems - an evaluation of the Family and Young Carer Pathfinders Programme, York Consulting, DFE.RB154

Process and outcome research on the Westminster Family Recovery Pathfinder, October 2011, June Thoburn, Neil Cooper, Sara Connolly and Marian Brandon, UEA

Understanding and tackling child poverty on Peabody estates, Feb 2012, Nicholas Pleace, David Rhodes and Deborah Quilgars, 2012

Other Implications

1. **Resources Implications**
2. **Business Plan Implications**
3. **Risk Management Implications**
4. **Health and Wellbeing Impact Assessment including Health and Safety Implications**
5. **Crime and Disorder Implications**

The programme specifically seeks to address young offenders and if successful will contribute to a reduction in re-offending by young people under 18 years. In addition it seeks to address anti-social behaviour by families in relation to their neighbours.

6. **Equalities Implications**

An Equality Impact Assessment has been completed. There will be no impact on issues affecting staff. By focusing on the most vulnerable families in the community who are likely to reflect the more disadvantaged Black and minority ethnic groups the project is likely to have a positive impact on equality.

7. **Staffing Implications**

The Tri-Borough will need to employ some staff to deliver the Information / Triage element of the programme. All contracts will be time limited to the duration of the programme. Redeployees will be given first consideration for any of the roles created. The budget will include an allowance for redundancy should it be required at the end of the programme.

8. **Human Rights Implications**

There are no implications for human rights.

9. **Energy Measure Implications**

There are no implications for the Energy measurement.

10. **Communications Implications**

As the programme goes live, there will be communication considerations in relation to government, members, local residents, service users and stakeholders. A plan is under development.