

DERBYSHIRE COUNTY COUNCIL

CABINET

15 May 2012

Report of the Chief Executive

**COMMUNITY BUDGETS AND THE TROUBLED FAMILIES INITIATIVE
(Leadership and Culture)**

1. Purpose of report

To inform Members about the development of a Community Budget for families facing multiple problems in Derbyshire and to seek approval to implement the Government's Troubled Families initiative across the county.

2. Information and analysis

Nationally, there are an estimated 120,000 families with multiple needs. These families make up less than one per cent of the population yet cost the economy over £8 billion a year. Families with multiple problems are more likely to make disproportionate demands on local services, absorbing the resources of multiple agencies often with evidence of duplication of support. Many of these families have entrenched social problems which can also impact negatively on the local communities in which they live.

Community Budgets for families facing multiple problems are up and running in 16 areas across the country. Many of the 16 pilot areas, details of which are attached at Appendix A for information, are in their second year of operation and are using the development of a Community Budget for families with multiple problems as the springboard for more wide ranging and ambitious plans to transform and reshape public services in these areas.

A new Troubled Families Team at the Department for Communities and Local Government has also been established and a £448 million package of funding for the Troubled Families initiative has been announced to support priorities aimed at turning around the lives of troubled families across the country.

Development of the Community Budget

Targeting children and families in greatest need for early intervention is a key priority for the Derbyshire Partnership Forum and a high level strategic priority for the draft Health and Wellbeing Strategy. Supporting challenging families has also been identified as a key challenge for the County Council and the Authority is now participating in the roll out of Community Budgets for families facing multiple problems as a second round pilot.

A wide range of agencies are working with families facing multiple problems on a daily basis and the families concerned impact significantly on the work of the Council. The Authority is already undertaking a wide range of initiatives such as the Intensive Family Support Service (formerly the Family Intervention Project) to support families. Many of the problems faced by families are interdependent and whilst there are many initiatives across and between partner agencies including the voluntary and community sector (VCS), the scale of the problem – maintaining and improving outcomes for families in the current financial climate is challenging.

The development of a Community Budget for families facing multiple problems presents a unique opportunity for the Council and its partners to review, reshape and redesign a wide range of services. It also presents opportunities to transfer learning within the Council which would benefit from a Community Budget/Total Place approach.

The Community Budget was a key topic for discussion at the Derbyshire Partnership Forum in December 2011 where the following two aims were agreed by partners:

- Securing better outcomes for existing families with multiple problems at a reduced cost to the public purse, by pooling and reprioritising resources, aligning funding and decommissioning ineffective services
- Reducing the number of families developing multiple needs through prevention and earlier intervention

The Partnership also agreed a number of high level principles to guide future work as follows:

- Prevention - by early intervention
- Targeting – to make best use of resources
- Focus on what works – decommission when required
- Better outcomes at lower cost
- Co-production – designing and developing services with the users

Given the potential reach of the Community Budget across the Authority's and partner agencies' services, the project is being led corporately. A small Project Group led by the Head of Policy and Research is driving forward the strategic development of the project recognising the wider corporate implications.

Since December, work has been taking place to develop a Community Budget Plan which meets the ambitions and long term aspirations of both the County Council and partner agencies. The Plan will adopt a phased approach with the new Troubled Families initiative kick starting work as the first phase. The Troubled Families initiative is, however, just one part of wider Community Budget plans for Derbyshire and new ways of working with families will be tested during the second phase through a small number of geographical pilots which will commence from September 2012 onwards. Involving professionals,

practitioners, local partners and the families themselves at the very earliest stages of this process is a priority. Evidence gathered and lessons learnt from the first and second phases will support the potential redesign and reshaping of existing services from April 2013 onwards.

Work with potential pilot areas and the discussion of proposals with relevant agencies, including district and borough councils, is currently underway. Work is also taking place corporately to map the range of existing interventions and initiatives supporting families facing multiple problems in Derbyshire. This should improve both the Council's and partner agencies' understanding of the full extent of activity and resources already supporting this area of work. Progress on this work will be reported to a future meeting of Cabinet in due course.

Troubled Families Initiative

On 28 March 2012, the Government's Troubled Families Team published a financial framework setting out proposals for the payment-by-results scheme. The Team estimate that Derbyshire has 1,355 troubled families and will pay the County Council up to a maximum of £4,000 per family for 1,129 families – a difference of 226 families. The Troubled Families Team expect local areas to be using existing Government funding to work with one fifth of the total cohort of families already and as such do not expect to pay additional resources to undertake activity which could involve double counting. The £4,000 allocation per family equates to 40% of the anticipated total cost of working with a family facing multiple problems. Local authorities and their partners are expected to provide the remaining 60% match funding through existing sources. The Troubled Families Team expect local areas to deliver on three key outcomes as follows:

- Reduced youth offending and anti-social behaviour (ASB)
- Improved attendance at school
- Increased numbers of adults into work

A sliding scale of up front attachment fee and reward grant over a three year period has been proposed. The outcomes required to secure funding are more flexible than originally anticipated and the requirements around the 60% match funding appear to be less restrictive than previous guidance suggested. The initiative therefore provides the Council and its partners with an opportunity to undertake additional work with existing troubled families with some financial reward. The Project Group has undertaken a range of tasks at the request of the Troubled Families Team. This has included:

- The development of a draft work plan to guide work on both the Community Budget and Troubled Families initiative.

- The identification and mapping of potential families using a range of agreed criteria and the establishment of a partnership Information Group to support this work.
- The development of potential models of working to roll out the initiative across the county.

The Project Group has also been working on the development of a Troubled Families Business Plan and this work will continue to ensure that all partner agencies have a shared understanding about the size, scale and scope of the project at the outset.

3. Moving Forward

Tasks undertaken by the Project Group have ensured that the Council is well placed to commence the roll out of the Troubled Families Initiative across the county. The following are key areas of work which will form part of the programme's implementation over forthcoming weeks:

- **Identification and Mapping of Families** - Work is taking place to refine the existing list of families who meet the criteria given the more detailed guidance recently received. This will provide a realistic estimate of the number of families facing multiple problems in Derbyshire and will support other areas of work, particularly the development of the Community Budget. Operationally testing the data, through Multi-Agency Teams and other appropriate agencies, has also been agreed as a key task to ensure that lists are matched to real evidence on the ground.
- **Troubled Families Coordinator** - Derbyshire has been allocated £175,000 a year for three years to support the employment of a Troubled Families Coordinator who will be responsible for managing the Troubled Families programme. This funding is also to support other associated monitoring and administration costs and is over and above the funding being provided through the payment-by-results scheme. Approval is sought to establish a Troubled Families Coordinator post within the Authority.

Practically, this initiative will need to be developed, implemented and mainstreamed alongside other service developments, within Children and Younger Adults (CAYA), Community Safety and other services. As such it is recommended that the Troubled Families Coordinator sit within the Children and Younger Adults department. Given the desire to ensure a corporate approach to the development of this initiative, the post should report corporately to the Head of Policy and Research who is leading work on the development of Community Budget proposals using a matrix management approach. This will ensure corporate accountability to the Chief Executive. It is proposed that of the £175,000 made available by the Troubled Families Team, £87,500 should be allocated to the Coordinator's post and to provide

funding for administration and other costs required to establish and maintain appropriate management information and financial systems.

The remaining £87,500 per annum will be used to support the development of Community Budget proposals in the localities identified as possible pilots. This will ensure that resources are made available locally to support the development of new initiatives and ways of working which support longer term change.

- **Potential Model** – A range of possible options for rolling out the Troubled Families initiative have been discussed by the Project Group. The Group have looked at current approaches and existing practices. The current key worker model used by the Intensive Family Support Service is one which could be replicated at a locality level, working possibly through Multi-Agency Teams. Involving agencies who are not currently part of the Multi-Agency Teams, for example housing providers, but who nevertheless work with troubled families on a day-to-day basis will also be essential. Further work on the development of the initiative will be required before the initiative can be rolled out across the county.

The Community Budget presents an excellent opportunity for the Council to draw together and simplify the vast array of initiatives and schemes across the Council supporting families with multiple problems. Progress on the Community Budget will be the subject of future reports to Cabinet in due course.

4. Financial Considerations

Of the £448 million funding on offer nationally through the Troubled Families initiative, Derbyshire would expect to receive approximately £4.5 million for work undertaken with 1,129 families over a three year period. The initiative is a payment-by results scheme and to receive the total funding available, the Council and its partner agencies would need to achieve outcomes for 1,355 families.

5. Human Resource Considerations

Funding from the Government will provide £175,000 a year for three years to support the establishment of a Troubled Families post and other associated costs. The Troubled Families Coordinator job profile and person specification are currently being evaluated. Should approval be given to the establishment of the post, then this would be on a three year fixed term contract.

6. Other Considerations

In preparing the report the relevance of the following factors has been considered: transport, legal and human rights, prevention of crime and disorder, equality of opportunity, environment, health and property.

7. Key Decision – Yes

8. Background Papers

- Financial Framework for the Troubled Families programme's payment-by-results scheme for local authorities – March 2012
- Letters from the Troubled Families Team – 14 December 2012 and 22 December 2012.

9. Officer's Recommendations

It is recommended that Cabinet:

1. Note the latest progress on the development of Community Budgets in Derbyshire.
2. Note the recent publication of the Financial Framework for the Troubled Families programme's payment-by-results scheme for local authorities and work undertaken to date by the Authority to respond to the Government proposals.
3. Approve plans to implement the Troubled Families initiative across the county.
4. Approve the establishment of a Troubled Families Coordinator's post within the Children and Younger Adults Department with corporate accountability to the Chief Executive.
5. Receive further reports on progress on both Community Budgets and the Troubled Families initiative in due course.

Nick Hodgson
Chief Executive

COMMUNITY BUDGETS FOR FAMILIES FACING MULTIPLE PROBLEMS – 16 PILOT AREAS

The following areas are those that participated in the pilot Community Budgets for families facing multiple problems:

- Birmingham
- Blackburn-with-Darwen
- Blackpool
- Bradford
- Essex
- Greater Manchester
- Hull
- Kent
- Leicestershire
- Lincolnshire
- Barnet
- Croydon
- Islington
- Lewisham
- South West London (including the London Boroughs of Westminster, Hammersmith & Fulham, Royal Borough of Kensington & Chelsea and Wandsworth)
- Swindon