

## **The Troubled Families Programme**

### **Purpose of report**

To provide members of the Safer and Stronger Communities Board with background information on the troubled families programme, in order to inform discussion with Joe Tuke, Director, Troubled Families Team, Department for Communities and Local Government (CLG).

### **Summary**

A Troubled Families Team was established in CLG last year following the Prime Minister's reiteration of his commitment to turn around the lives of 120,000 'troubled families'. The three year programme went 'live' in April with a £448 million budget, directed through councils in order to scale up existing work already underway locally. The funding is available partly on a payment by results basis. All 152 upper-tier authorities have signed up to the programme, the primary aims of which are to reduce school truancy and exclusions; reduce crime and anti-social behaviour; and increase employment, in the families.

The troubled families programme falls within the LGA's Localism Programme and reports to the Leadership Board and Executive.

### **Recommendation**

Members are asked to note this report as background information to assist discussions with Mr Tuke.

### **Action**

Officers to action Member suggestions as appropriate.

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## **The Troubled Families Programme**

### **Background**

1. Following the summer disorder last year, the Prime Minister reiterated his commitment to turn around the lives of 120,000 'troubled families' by 2015. A new unit was established and tasked with implementing it, based in The Department for Communities and Local Government (CLG) and headed by Louise Casey CB.
2. The families cost the public purse an estimated £9 billion per year, around £8 billion of which is reactive, spent addressing the symptoms of problems rather than tackling root causes. Up to 20 local agencies can work with the same family, each with their own funding rules and assessments.
3. Local government had already recognised the need for more effective and efficient ways of working with complex families and was developing and implementing solutions: 16 areas (28 councils) were piloting community budgets for families with complex needs, with a further 70 committed to implementing them and four fifths of councils were operating intensive family intervention projects.
4. The CLG troubled families programme has reflected this, giving councils the lead role in coordinating services locally and enabling this existing work to be built on and scaled up.
5. At the end of March 2012, CLG published the Troubled Families Financial Framework, setting out the criteria for identifying eligible families and detail of the payment by results scheme.
6. All 152 upper-tier authorities have signed up to the programme. Some have based this work in their community safety department, reflecting the crime and antisocial behaviour element of the programme; others in children's services or the Chief Executive's office.

### **The families**

7. CLG has given each council an estimated number of families in their area and authorities are now identifying real families that are eligible for the payment by results scheme. The three core criteria are related to:
  - 7.1 truancy or exclusion from school
  - 7.2 young people involved in crime and families involved in anti-social behaviour; and
  - 7.3 adults on out of work benefits.

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8. If families meet all three criteria, they are automatically on the programme. This number is expected to be less than 120,000 and families can also be eligible if they meet two of the three criteria, plus a 'local discretion filter'. This is for councils to determine, based on local priorities and could include, for example, families where there are substance misuse problems or domestic violence.

**Payment by results**

9. The unit has a £448 million budget over the three years, put together with contributions from six Whitehall departments<sup>1</sup>. This money is being spent in three main ways:
- 9.1 paying for councils to employ 'coordinators' in each area to lead troubled families work
  - 9.2 £20,000 per council to undertake preparatory work; and
  - 9.3 paying £4,000 per family towards the cost of intervention (40 per cent of the estimated average £10,000 cost), with a proportion of this as results payments in return for outcomes delivered.
10. There will be a significant proportion of the payment by results funding available up-front as an 'attachment fee': 80 per cent in year 1, 60 per cent in year 2 and 40 per cent in year 3, with the remaining proportion payable on delivery of results.
11. The results payments will primarily be attracted per family on the basis of meeting all measures related to education (truancy and exclusions), crime (33 per cent reduction in youth crime over 6 months) and anti-social behaviour (60 per cent reduction across the family over 6 months) OR at least one family adult in the family has moved off out of work benefits into continuous employment in the last 6 months (and is not on the ESF Provision or Work Programme). Councils will self-verify results, approved within their own internal audit arrangements.
12. In signing up to the programme, councils recognise that the CLG funding covers approximately only 40 per cent of the cost of interventions with the families they have committed to work with. Beyond this recognition, CLG has not sought details of match funding from local partners, but has stated that money committed to relevant projects and services can be counted. The economic and social case for investing in preventive action to reduce the costs of troubled families to the taxpayer in the longer-term is strong and commands support among councils. CLG has estimated that three quarters of the

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<sup>1</sup> Communities and Local Government, Home Office, Department for Education, Ministry of Justice, Department for Work and Pensions and Department of Health.

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cashable savings from family intervention accrue to local government, primarily in the area of children's services.

**Progress**

13. All upper-tier councils have signed up to the programme and the majority now have troubled families 'coordinators' in post. There are varying levels of experience of redesigning and coordinating local services for families; councils are at different stages of planning how they will meet their commitments under the programme with local partner agencies.
14. A task for all areas is to identify the families that they will work with in the first year, who meet the criteria stipulated by the Government in the Financial Framework. Data sharing has been a challenge, both between services locally and the process for Department for Work and Pensions (DWP) checking whether families have adults receiving out of work benefits. The LGA is working with CLG and DWP on resolving some of these issues.

**LGA support for councils**

15. The LGA is facilitating the sharing of good practice and practical solutions, for example through convening events and providing resources, including through the Knowledge Hub. This includes helping to share the learning from the work of the community budget pilots, for example on data sharing, financial modelling and cost-benefit analysis.
16. The scale and pace of the programme are ambitious and the LGA recognises that some areas may benefit from targeted support. We continue to have discussions with the CLG team about provision of support that is consistent with the wider approach to local government performance and improvement and associated funding.