

## HAMPSHIRE COUNTY COUNCIL

### Decision Report

<b>Decision Maker:</b>	Cabinet
<b>Date:</b>	29 October 2012
<b>Title:</b>	Supporting Troubled Families Programme
<b>Reference:</b>	4382
<b>Report From:</b>	Director of Policy and Governance, Corporate Services

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#### 1. Executive Summary

- 1.1. The purpose of this paper is to provide an overview of the Supporting Troubled Families Programme (STFP) in Hampshire, and to gain approval for the proposed strategic delivery approach and associated funding proposals.
- 1.2. The programme will seek to engage with 1,590 families across Hampshire over the next three financial years and deliver a number of new interventions through local partnership arrangements. Target programme outcomes will include increased school attendance, reduced worklessness and less crime.
- 1.3. The programme has the ambition to deliver:
  - **Improved Outcomes** and lasting positive changes to the lives of families in Hampshire;
  - Greater **inter-agency coordination** and joined up working with whole families;
  - Demonstrating the benefits (financial and non-financial) of **early help, intervention and prevention**;
  - A **transformational ambition** for a new funded and sustainable delivery model for working with families.
- 1.4. The programme will be supported by a Department of Communities and Local Government (DCLG) grant of up to £5.3m, which is intended to provide a catalyst to transform the ways in which the public sector works with families in a more joined up and co-ordinated manner. The County Council is the accountable body for the performance and delivery of the programme, and governance arrangements have been established for a multi-agency approach in a two tier area. A multi-agency partnership board, chaired by the Executive Member for Communities and International Affairs, has been set up to provide strategic oversight.

- 1.5. The programme will be underpinned by a bottom up multi-agency approach through a series of cross agency Local Coordination Groups (LCG's) based on District Council boundaries. These groups will provide the local intelligence to identify the families, develop single family plans and use local knowledge to inform the design and delivery of services at a local level.
- 1.6. For each family within the programme, a co-ordinated multi-agency family plan will be developed. This will inform the most appropriate interventions or new ways of working with the family. The single family plan will seek to join up and maximise the existing assessment documents which have already been performed by various agencies on individual family members.
- 1.7. This paper outlines a proposed twin track service delivery strategy. For those families with multiple needs, a centrally commissioned element of evidenced based intensive family support services will be accessed by the LCGs. For the remaining families in the cohorts, it is proposed that local solutions are developed by the LCG's, which involve partners working in a more joined up way locally with whole families. Given the complex needs of families and variety of public partners to engage, the delivery strategy must also be sufficiently flexible to deliver a patchwork of suitably tailored solutions, encourage local innovation and improve the effectiveness of inter-agency coordination.
- 1.8. Funding for the three year programme will predominantly be provided by the DCLG with approximately 60% of the stated £5.3m as an upfront attachment fee and 40% on a payments by results (PBR) basis linked to the achievement of outcomes. The programme will be enhanced by funding from the Leaders Policy budget of £300,000 per annum and a £40,000 contribution from Hampshire Constabulary. Further partner funding will be actively encouraged as the programme evolves.
- 1.9. This paper outlines a proposal for funding allocations, including devolving a proportion of 'attachment fee' funding to the local level. The funding proposal is not dependent on the reward element of the DCLG funding allocation being achieved. Part of any PBR monies earned will be passed through to service providers and local partners where outcomes will be robustly tracked through agreed performance methodology with both partners and DCLG.
- 1.10. It is important to recognise that the programme is aimed primarily at providing (in the main) early help to families who are not the subject of statutory interventions already e.g. children in secure accommodation or other forms of local authority care. This is very much a preventative initiative for an initial group of 1,590 families. The programme is not going to solve all family related difficulties in Hampshire over the next three years. At any point in time, some 10,000 families in Hampshire are receiving support from Children's Social Services. Success with the programme will come in many forms and will not solely be about earning reward grant.
- 1.11. A key aim will be to stem the tide of families requiring more complex and more costly statutory interventions alongside improving outcomes for those families and their children. These aims will link closely to the County Council's strategic transformation programme and the Open for Business strategy which will track and monitor performance as the programme progresses.

- 1.12. The paper also acknowledges the risks attached to this programme, both through the challenging incentivised funding model, but also through the sheer complexity and intractability of some of the problems some families experience. In some cases these are families who have been failed by or resisted significant attempts to intervene in patterns of behaviours and crises over years if not generations. While that must reinforce the resolve of this new partnership approach, there must also be collective realism, not pessimism, about the scale of the task.

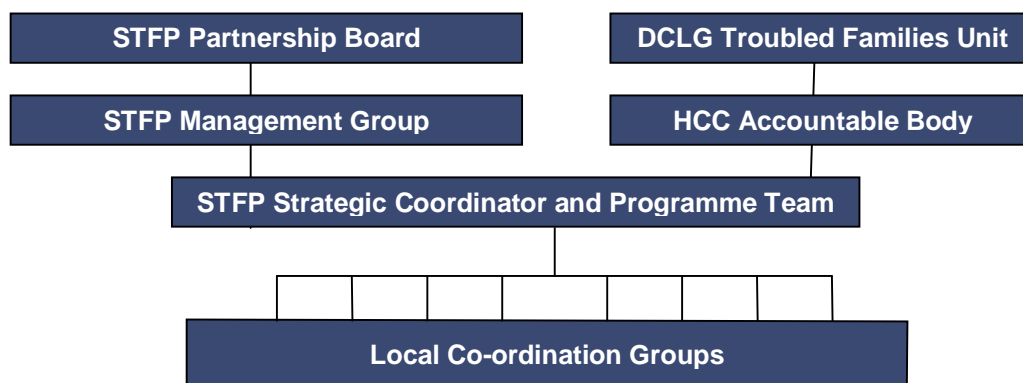
## **2. Contextual information**

- 2.1. The coalition government has signalled its intent to ensure that 120,000 troubled families are 'turned around' by the end of the current Parliament. The DCLG led Troubled Families Programme is a clear commitment to deliver new solutions to persistent problems and drive real lasting positive change to some of the most vulnerable families and communities across the country.
- 2.2. These families are characterised by there being no adult in the family in work, children not being in school and family members being involved in crime and anti-social behaviour. They often have complex problems which can lead to entrenched intergenerational cycles of disadvantage.
- 2.3. The DCLG have estimated that these families cost the public purse approximately £9bn per year (£75,000 per family) and have a significant detrimental effect within the communities in which they reside.
- 2.4. The DCLG has committed one off grant funding to local authorities over the next three years with circa 40% PBR based. This funding is intended to provide a catalyst for public sector organisations to work in new joined up ways with whole families, deliver real lasting positive changes and develop a sustainable funded delivery model that will improve the effectiveness of public sector spend beyond (if not before) the end of the programme.

## **3. Supporting Troubled Families Programme in Hampshire**

- 3.1. The Supporting Troubled Families Programme in Hampshire was established in May 2012. It is overseen by a multi sector partnership board which is chaired by the Executive Member for Communities and International Affairs. The County Council is the accountable body for up to £5.3m of DCLG grant funding and will deliver the programme through local partnership arrangements.
- 3.2. The partnership board includes high level representation from a range of public sector bodies including the County Council (in varying guises), District Council's, the Constabulary, the Prison Service, Probation, Clinical Commissioning Groups and other health organisations, Public Health, the Fire Service and Job Centre Plus. The Voluntary Sector are also set to be represented from the next meeting.
- 3.3. A separate management group has also been established to meet more frequently and to manage progress on behalf of the Board. The management group, consisting of senior officers from the County Council, two District Council Chief Executives and the Constabulary at Assistant Chief Constable

level, will work closely with the appointed Strategic Coordinator for the programme and will help shape and steer delivery. These arrangements will, wherever possible, link to and support equivalent multi-agency arrangements including the Children's Trust and the shadow Health and Wellbeing Board.



3.4. DCLG have estimated that there are circa 1,590 troubled families in Hampshire, which the programme will aim to engage with over the three year period. It is proposed that 530 families are worked with in year one of the programme, 712 families in year two of the programme and 348 families in year three of the programme. This will focus delivery in the early / middle part of the programme and maximise the availability of central government funding.

3.5. Since May 2012, a strategic lead and a small core team have been appointed to strategically coordinate the programme over the next three years. The costs of the core team will largely be met from separate DCLG funding of £175,000 per annum (specifically provided for project co-ordination). The balance will be met by the County Council by drawing on part of the annual £300,000 funding from the Leader's policy budget.

#### 4. Transformational Ambition

4.1 The programme offers a unique opportunity to explore how the public sector can truly transform the lives of families through new, creative and innovative approaches to targeted intervention, providing early help, and better coordination between agencies and existing programmes.

4.2. The programme has the ambition to “turn around” a number of families over the next three years and manage down the numbers of potential high cost statutory interventions through early help. This will require a coordinated approach making best use of knowledge and ideas at a local level, whilst also drawing on best practice from elsewhere in the U.K. and abroad. In particular, the programme will aim to build on the findings of the Family Intervention Project<sup>1</sup> (FIP) pilots and parent and family support initiatives within Children's Services.

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<sup>1</sup> Family Intervention Projects are based on a model of a single key worker being assigned to a family who will work to develop a whole family approach to service delivery and provide a single point of coordination.

- 4.3. In order to maximise resource input and increase the chances of successful outcomes, the programme will work closely with a series of other national and local initiatives which have complementary aims and objectives. In particular, the Department for Work and Pensions have launched a Pathways to Work programme in 2012 which has a close link with the worklessness objectives of the programme. It will also be possible to learn from other local authorities who have already achieved multi-agency derived outcomes in this arena
- 4.4. The long term more coordinated approach to multi-agency working will necessitate a sustainable funded delivery model being developed for early intervention more coordinated inter agency working. This will not be easy given the complexity of issues and numbers of partners to engage, but will be fundamental to delivering a lasting legacy of transformational change.
- 4.5. The programme will therefore seek to develop a robust evaluation process for early help services and new ways of working. This will be supported by establishing a long term relationship with an independent academic evaluation partner to provide objective challenge and scrutiny of the programme and its outcomes.

## **5. Partner engagement – Coordinated multi agency approach**

- 5.1. The programme has established Local Coordination Groups (LCGs) based on District Council boundaries to work closely with the County Council's core programme team and support the design and delivery of the programme at a local level within Hampshire.
- 5.2. Each group comprises of senior cross agency representatives, including as a minimum, senior input from District Council's, local Police and Children's Services Locality Managers, but also with the engagement of housing providers, Health and the Voluntary and Community Sector. It is accepted that the groups need to be flexible and dynamic, making best use of existing partnerships and providing local knowledge and influence. They will be responsible for:
  - Providing a mechanism for the effective join up of key local partners that work with troubled families;
  - Using local knowledge to finalise the cohort of families to be included within the programme;
  - Developing and taking ownership for co-ordinated single family plans;
  - Using local knowledge and innovation to inform the design and delivery of interventions;
  - Commissioning and/or delivering some specific services at a local level;
  - Ensuring effective local communication and wider partner involvement including the voluntary sector, local children's partnerships and indeed local schools.

- Identifying additional resources that can be pooled and/or used in a more coordinated manner around the family to maximise the delivery of successful outcomes.
- 5.3. Each LCG is led by a Senior Responsible Officer (SRO), who are senior officers with the skills, experience and local presence to draw local key partners together and provide a single point of contact for the County Council's central programme team. Two of the SRO's are Children's Services Locality Managers within the County Council.

## **6. Defining and Identifying Troubled Families in Hampshire**

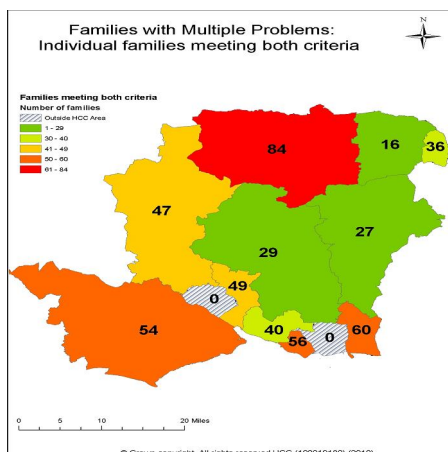
- 6.1. Troubled families have been defined by DCLG<sup>2</sup> as households who:
- i) Crime - Are involved in crime and anti-social behaviour;
  - ii) Education - Have children not in school;
  - iii) Worklessness - Have an adult on out of work benefits.
- 6.2. DCLG funding is currently conditional on families meeting at least two out of these three criteria. Whilst DCLG guidance indicates that families meeting all three criteria should be targeted for support, local knowledge and discretion will also be fundamentally important to determining which families are actually included within the programme<sup>3</sup>.
- 6.3. In the event that DCLG funding is not available for families not meeting the set criteria, where families causing a high cost to the public purse are identified, a local discretion filter e.g. substance misuse, mental health, domestic violence etc can be applied to allow such families to be targeted at the LCG level, albeit with dedicated local funding, if agreed by local partners.
- 6.4. Since May 2012 a significant data analysis exercise has been performed by the County Council to identify those families in Hampshire which meet the criteria outlined above (see maps 1 and 2 overleaf). Data sharing agreements have been established to allow data to be shared with local partners to assist the process of identifying the families to be included in the year one cohort. It is expected that each LCG will have finalised their year one cohort by the end of September 2012.

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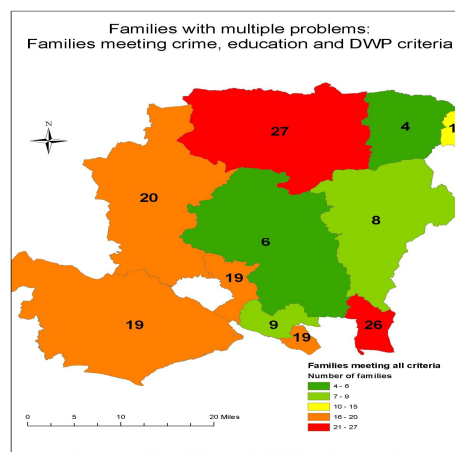
<sup>2</sup> Detailed guidance for these definitions can be found at [www.communities.gov.uk](http://www.communities.gov.uk)

<sup>3</sup> A number of more detailed case studies of troubled families are available from the early scoping work performed by Louise Casey - <http://www.communities.gov.uk/documents/communities/pdf/2183663.pdf>. Once families have been identified within Hampshire a series of anonymised case studies will be developed and tracked through the whole programme.

**Map 1 – Families meeting both Crime/ASB and Education**



**Map 2 – Families meeting Crime/ASB, Education & Worklessness**



6.5. Any intervention with an individual family will, by necessity, be through agreement with the family. By their very nature, some families will present greater challenges than others, and in specific cases there is likely to be resistance to formally engage or to really want to benefit from the ‘early’ help that can be provided. The initial engagement and communication with families and the overall public branding of the programme will be crucially important as the programme develops.

**7. Single (Co-ordinated) Family Plans**

7.1. It is proposed that each family included within the programme will go through the following high level process at a local level:



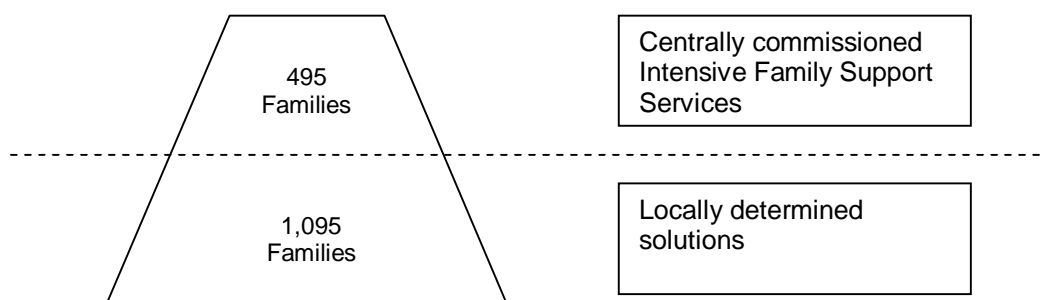
7.2. A single high level multi-agency Family Plan will be required for each family included within the programme. This will clearly outline the desired outcomes for each family and, where appropriate, this will be linked to the DCLG funding criteria and any local discretionary filters (see paragraph 6.3).

7.3. Rather than using separate family assessment documents, existing assessments and information from services currently working with the family will be used to help create the “Family Plan” including actions and any additional specialist assessments, which may be required.

7.4. Each LCG will take ownership of developing these local plans. The central programme team has provided standard whole family templates and will offer one off funding to assist local groups complete this exercise (see Section 10). The family plans will be signed off by the local SRO and will be available to the core programme team throughout the programme period. They will be used as part of the performance reporting evidence base and will also greatly assist with the evaluation of the programme outlined in Section 4.

## 8. Service Delivery Strategy

- 8.1. Given the complexity of longstanding issues facing some high need families, the delivery strategy must have sufficient flexibility to ensure that a variety of models for interventions, service initiatives and multi-agency coordination can be included within the programme.
- 8.2. Evidence from national studies and experience of local schemes suggests that intensive family support services are an effective intervention for a number of troubled families with multiple needs. They have also demonstrated a financial case to fund early intervention and prevention initiatives with families to save potential future high cost interventions across a variety of public sector agencies (e.g. Children on the edge of care, court service, prison service, housing evictions etc).
- 8.3. These intensive interventions can be modelled on existing Family Intervention Projects (FIPs) which are based on a single key worker working intensively with a family to enable a co-ordinated multi-agency approach<sup>4</sup>. It is estimated that these higher cost, resource intensive interventions will be appropriate for approximately 495 families out of the total 1,590 cohort, and will be determined in accordance with the family plans developed locally.
- 8.4. It is proposed that delivery is split between a centrally commissioned element of intensive family support services (high value/low volume commission), and less intensive locally determined solutions (significantly lower cost but higher volume of families) which will involve targeting existing resources and improving the coordination of services. This approach is highlighted below.



- 8.5. It is deemed most practicable to centrally commission the intensive family support services and to subdivide the commissioning into three geographical areas to optimise commissioning outcomes (see Appendix G). It is proposed that this service will go out to tender in October/November 2012, and that the LCG's will be closely engaged to define the nature of the service being commissioned and the families from each local cohort that would be most appropriate to receive this intensive support service.

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<sup>4</sup> The County Council already has 42 FIP placements currently in operation across Hampshire delivered by voluntary sector organisations. The schemes are funded through a variety of match funding arrangements with local partners including District Councils, the Supporting People Grant and Housing Providers.

- 8.6. The likely start date for the commissioned service is April 2013 and a block contract over the remainder of the programme with set annual amounts per LCG is favoured as this will provide greater certainty for local partners and providers. The contract will also be commissioned in such a way to include an option to extend for an additional year if the delivery is successful.
- 8.7. Outcomes will be key and thus the contract specification, performance review and termination clauses will need to be carefully established.
- 8.8. As detailed above, in addition to this centrally commissioned intensive support service, local solutions will be developed for the remaining cohort in accordance with the single family plans. This may simply involve targeting resources to improve the coordination of existing services and programmes accessed by whole families. Alternatively, the LCG's may choose to commission or deliver additional outcome based intervention or early help services using additional local resources, in many cases involving the voluntary sector, to enhance or complement existing schemes underway.
- 8.9. Local initiatives will also aim to maximise links to existing initiatives to coordinate or pool existing funding streams at the family level to ensure that local resources are used in the most effective manner.
- 8.10. The central programme team will have a key role to play in relation to providing strategic oversight and monitoring performance between the centrally commissioned services and the locally determined solutions by working closely and effectively with each LCG.

## **9. Funding available**

- 9.1. DCLG funding of up to £5.3m is available to support a programme that aims to work with 1,590 families as per table 2 below. The County Council will be the accountable body for claiming grant funding and the DCLG will fund 5/6<sup>ths</sup> of this total cohort<sup>5</sup> at £4,000 per family. The money is not "ring fenced" per family and can be used flexibly as long as successful outcomes are delivered.
- 9.2. Approximately 60% (£3.3m) of the funding will be available as an upfront "attachment fee" linked to engaging families that meet two out of the three identification criteria.
- 9.3. Approximately 40% (2.0m) of this funding will be granted in arrears on a Payment by Results (PBR) basis linked to the programme demonstrating successful outcomes with the families engaged in the programme. This is designed to incentivise the delivery of successful outcomes and where appropriate inject additional resources locally. The ratio between the attachment fee and reward element of DCLG funding also tapers over the three years as per table 1 overleaf.

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<sup>5</sup> The DCLG recognise that there are a number of complementary government funded schemes already working with troubled families and therefore funding will be available for 5/6<sup>ths</sup> of the total numbers.

**Table 1 - DCLG funding per family**

	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>
Upfront Attachment Fees	£3,200 (80%)	£2,400 (60%)	£1,600 (40%)
In arrears payment by Results reward claims	£800 (20%)	£1,600 (40%)	£2,400 (60%)
<b>Total Funding</b>	<b>£4,000</b>	<b>£4,000</b>	<b>£4,000</b>

**Table 2 – Total DCLG funding assuming engagement with 1,590 families over 3 years with £4,000 per family funding available for 5/6<sup>ths</sup> of the cohort (1,325 families)**

	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>	<b>Total</b>
Number of Families Engaged	530	712	348	1,590
Upfront Attachment Fees	£1,413,333	£1,424,000	£464,000	£3,301,333
In arrears payment by Results reward claims	£353,333	£949,333	£696,000	£1,998,667
<b>Total Funding</b>	<b>£1,767,666</b>	<b>£2,373,333</b>	<b>£1,160,000</b>	<b>£5,300,000</b>

9.4. In addition to the DCLG funding, the County Council will be contributing an additional £900,000 over the three year programme period. It is proposed that this is utilised (per Appendix D) for:

- Set up of local arrangements (see table 3 in Section 10);
- Supporting the additional costs of the central programme team;
- Supporting the training needs of local agencies and providers to ensure that the workforce is appropriately skilled to deliver family interventions;
- Including additional families in the programme who are considered to be a high cost to the public purse, but do not necessarily meet the strict DCLG funding criteria;
- Funding additional early interventions for families on top of the commissioned provision;
- Funding the significant data analysis and performance monitoring exercise to monitor and track the families during the programme;
- Support the significant amount of internal and external communications and engagement that will be required as the programme progresses.
- Ensuring a smooth transition from years two to three and beyond once DCLG funding ceases;
- Funding new innovations through prior agreement of the Executive Member for Communities and International Affairs to support the transformational ambition of the programme (e.g. links to skills and employment programmes).

- 9.5. The programme will link closely to 6 existing family intervention projects (covering 42 families), which are locally funded through the County Council's Adults and Children's Services, the Constabulary, certain District Councils and Social Housing providers. As part of the central commissioning arrangements outlined in Section 8, the programme team will look at the options of integrating the existing FIP arrangements into the wider programme, safeguarding the various funding elements as the foundation for Troubled Families work beyond the programme period.
- 9.6. Although a significant amount of one-off funding is available, it is recognised that additional resources and coordination of some existing budgets will be required by partner organisations (including the County Council) to ensure the delivery of successful outcomes and improved inter-agency working. This will also be key to sustaining the programme beyond the initial three years once the one-off DCLG funding expires.
- 9.7. DCLG have announced that following the first PBR 'claim window' in January 2013 there will be a claim window every six months up until the final claim window in May 2015. It is unlikely that the County Council will be able to make any material reward claim in the first window due to the lack of time to demonstrate required outcomes.

## 10. Funding allocations

- 10.1. It is proposed that each LCG will be granted a one off £5,000 via the District Councils for set up costs (including the drawing together of existing assessments and the development of the initial family plans), with an additional £50 per family plan (see Appendix E) over the three years of the programme.

**Table 3** – Proposed funding available for set up of the Local Coordination Groups and delivery of high level family plans.

	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>	<b>Total</b>
Set Up Costs	55,000	0	0	55,000
Coordinated Family Plans	26,500	35,600	17,400	79,500
<b>Total</b>	<b>81,500</b>	<b>35,600</b>	<b>17,400</b>	<b>134,500</b>

- 10.2. In accordance with the service delivery approach outlined in Section 8, delivery funding will be split between a centrally commissioned intensive family support service and money devolved locally to the coordination groups.
- 10.3. It is proposed that funding allocations mirror the DCLG funding approach between an upfront attachment fee and a reward payment for the delivery of successful outcomes. However, in order to manage the tapering effect of the DCLG funding, it is proposed that the County Council smoothes the attachment fee available per year to give providers and local coordination groups certainty over their funding as per table 4 below. This will share the risk in relation to payments by results with partner organisations and ensure that the County Council will not be committing to spending grant money it may not receive from DCLG.

**Table 4** – Proposed split of attachment fees and reward payments for funding allocations

	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>
Attachment Fee (upfront)	60%	60%	60%
Payment by Results Reward (in arrears)	40%	40%	40%

- 10.4. It is estimated that 495 centrally commissioned intensive family support places will be required over the three years, at a maximum cost to the County Council of £2,970,000. Up to 40% of this funding will be subject to the provider demonstrating successful outcomes. The remaining DCLG funding would then be made available to LCG's (via a grant payment to District Councils), which equates to approximately £2,100 per family.
- 10.5. In order to give the necessary flexibility to the procurement process in relation to the overall numbers of families and contract price, it is recommended that approval is given to centrally commission within a financial envelope of up to £3,301,333 being the total value of the upfront DCLG attachment fee (Section 9.3, Table 2).
- 10.6. Table 5 below summarises the possible split between centrally commissioned services and locally devolved funding for each year of the programme. Appendix E and Appendix F provides a proposed breakdown at the District level for Year 1 of the programme, based on a high level apportionment of total funding determined by the total families currently meeting both the Crime/ASB and Education funding criteria.

**Table 5** – Proposed funding of centrally commissioned services and locally devolved initiatives.

	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>	<b>Total</b>
No of families (centrally commissioned service)	165	165	165	495
Upfront Attachment Fees (up to 60%)	£594,000	£594,000	£594,000	£1,782,000
Reward Funding (up to 40%) claimed in arrears	£396,000	£396,000	£396,000	£1,188,000
<b>Sub Total</b>	<b>£990,000</b>	<b>£990,000</b>	<b>£990,000</b>	<b>£2,970,000</b>
Number of families (locally devolved funding)	365	547	183	1,095
Upfront Attachment Fees (up to 60%)	£466,000	£698,362	£233,638	£1,398,000
Reward Funding (up to 40%) claimed in arrears	£310,667	£465,574	£155,759	£932,000
<b>Sub Total</b>	<b>£776,667</b>	<b>£1,163,936</b>	<b>£389,397</b>	<b>£2,330,000</b>
Total Number of Families	530	712	348	1,590
Total Attachment Fees	£1,060,000	£1,292,362	£827,638	£3,180,000
Total Reward Funding	£706,667	£861,574	£551,759	£2,120,000
<b>TOTAL FUNDING</b>	<b>£1,766,667</b>	<b>£2,153,936</b>	<b>£1,379,397</b>	<b>£5,300,000</b>

- 10.7. In order to develop a lasting legacy of change including new ways of inter-agency working and family intervention, the programme will need to develop a sustainable self funding delivery model by year 4 of the programme and beyond. This will rely on partner contributions, pooling of budget arrangements and whole system changes to the way in which agencies work with families. This could include developing a match funding model arrangement with local partners.
- 10.8. The programme and partners will therefore need to consider how best to utilise reward funding to smooth the transition into year 4 of the programme once DCLG funding expires.

## **11. Governance, Performance and Control**

- 11.1. The County Council is the accountable body for the delivery, performance and governance of the programme.
- 11.2. Locally devolved funding will not be released by the core programme team until the LCG's have agreed their annual cohort of families and a detailed family plan is in place for each family.
- 11.3. Attachment fees will be granted to District Councils initially for the first year of the programme based on the numbers of families identified within the cohort. District Councils and LCG's will be responsible for the money being spent locally for the purposes of delivering targeted whole family interventions in accordance with the funding conditions and outcome based criteria detailed in the DCLG guidance. Each LCG will also be required to submit a standard quarterly performance report demonstrating the progress with each family.
- 11.4. The centrally commissioned Intensive Family Support Service will be progressed through an OJEU compliant process, ensuring that there is the opportunity for national, regional and local agencies to competitively tender for a contract of service. The specification will include detailed terms and conditions outlining the providers responsibilities in relation to the accountability of the attachment fees and the requirement to complete performance reports. Providers will also need to demonstrate a minimum level of engagement with families and with LCG's (particularly the SRO's).
- 11.5. All reward funding (both for the centrally commissioned service and the locally granted) will be claimed by the County Council based on the information within the performance monitoring reports. As the accountable body, the County Council will claim reward funding in accordance with the outcomes based payments by results framework.
- 11.6. It is recommended that part of any reward grant earned is passed on to the service deliverer or the relevant LCG to incentivise their respective work programmes and continued high performance. It is also recommended that part of any reward grant earned is retained centrally and is used to help smooth the transition from the end of the DCLG funded programme to an on-going multi-agency programme that is funded locally.
- 11.7. A performance framework is currently being developed in accordance with the DCLG outcomes based funding criteria and other outcomes determined locally. It will be pivotal to the financial governance of the programme, but will

also be used to support the evaluation and learning associated with the long term business case for a sustainable funded delivery model and the transformational ambition of the programme. This will also link closely to the County Council's strategic transformation programme and the Open for Business strategy which will track and monitor performance as the programme progresses.

- 11.8. The performance framework will link with the national evaluation conducted by the DCLG and the local evaluation that will be coordinated by the programme team working closely with an appointed local academic partner. The national evaluation framework has not yet been finalised, but the programme is aiming to approach local evaluation partners in October 2012.

## 12. Key Programme Risks

- 12.1. A programme of this scale and ambition has a number of risks. These will be managed as part of the programme's risk strategy and included on a detailed risk log identifying the likelihood /impact of each risk and the mitigating action.
- 12.2 The key programme risks including, overall programme performance, financial accountability, the numbers of families, data sensitivity, evidencing outcomes, engagement and successful interventions, culture and transformation and future programme sustainability are described in Appendix H. The core programme team will manage and look to mitigate risks as the project develops and will report risks to the Partnership Board at each meeting. The Executive Member for Communities and International affairs will also receive a monthly programme highlight reports from November 2012, which will be signed off by the Management Group.

## 13. Timelines and Key Milestones

- 13.1. The key milestones over the 6 months to the end of 2012 are detailed in table 6 below, and a high level strategic timeline is also included within Appendix I.

**Table 6 – Key activities and milestones**

<b>Activity</b>	<b>Timing</b>
<b>Establish Local Coordination Groups</b> – Local Coordination Group Mobilisation and Appoint Senior Responsible Officers	<b>July / August 2012</b>
<b>Identification of Year 1 Cohort</b> – Each LCG will meet in August and September 2012 to determine the composition of their year 1 cohort using the local discretion.	<b>August / September 2012</b>
<b>Develop Local Delivery Strategies and Single Family Plans</b> – Develop coordinated single family plans for the year one cohort and develop the approach for local commissioning and delivery.	<b>September 2012 onwards</b>
<b>Partnership Board Meeting</b> – The partnership board will meet on 28 <sup>th</sup> September to review the progress to date and endorse the recommendations outlined in this paper.	<b>September 2012</b>
<b>Central Commissioning Cycle</b> – If the partnership board endorse the approach in September, the programme will commence the commissioning cycle for the intensive family support service. It is expected that a contract award could take place by February 2012, with a contract start date of March / April.	<b>October – February 2012</b>
<b>Release Local Funding</b> – Once local delivery strategies have been	<b>October /</b>

approved, local funding will be made available in accordance with the agreed financing arrangements.	<b>November 2012 onwards</b>
<b>Performance Reports</b> – Following the release of any local funding, a quarterly performance report will be completed by the LCG, linked to a series of agreed outcome measures consistent with the Payment by Results financing arrangement.	<b>December 2012</b>

#### 14. Conclusions

- 14.1. The Government's Troubled Families initiative represents a significant opportunity for agencies to review the way they work together and radically reform the approaches to some of the most excluded and dependent families in our community.
- 14.2. There is some reasonable caution among all partners that some of the families concerned are deeply entrenched over generations in their dysfunctional behaviours. Many will have been highly resistant to other attempts at change for a number of years. Additionally, the strict programme criteria and the payment by results funding arrangement add to the challenges faced by partners.
- 14.3. That said, in view of the damage done to the individuals, especially future generations through the children of these families, and given the on-going costs to the state of sustaining current patterns of welfare dependency, non-school attendance and achievement, and criminality, it is crucial that agencies seize the opportunity presented by this programme. Success will combine both outcomes for targeted families and their communities, alongside lasting service transformation and improvement to ensure that early help programmes for families are sustained beyond the three year life of this initiative.

#### 15. Recommendation(s)

- 15.1. It is recommended that Cabinet notes the significant progress that has been made to establish the Supporting Troubled Families Programme in Hampshire since May 2012 and approves the following:
- 15.1.1 A twin track service delivery model continues to be developed comprising of a centrally commissioned element of evidenced based intensive family support services and local solutions determined by LCG's.
- 15.1.2 To seek approval to spend and procure at a maximum value of £3,301,333 for a centrally commissioned Family Support Service on a payment by results basis for the duration of the programme. The central procurement will be commissioned in three geographical lots (Option 2 Appendix G).
- 15.1.3 A proportion of the DCLG grant will be made available to LCG's. 60% of this funding will be available as an attachment fee on the condition that a single family plan is in place, and up to 40% will be dependent on demonstrating successful outcomes (Section 10).

- 15.1.4 Funding will be apportioned at a District Council level based on the total families currently meeting both the Crime/ASB and Education funding criteria, as set out in Appendix E to this report.
- 15.1.5 The County Council's contribution of £900,000 to be utilised as per Section 9 and Appendix D:
- a) Set up of local arrangements (see table 3 in Section 10);
  - b) Supporting the additional costs of the central programme team;
  - c) Supporting the training needs of local agencies and providers to ensure that the workforce is appropriately skilled to deliver family interventions;
  - d) Including additional families in the programme who are considered to be a high cost to the public purse, but do not necessarily meet the DCLG funding criteria;
  - e) Funding additional early interventions for families on top of the commissioned provision;
  - f) Funding the significant data analysis and performance monitoring exercise to monitor and track the families during the programme;
  - g) Ensuring a smooth transition from years two to three and beyond once DCLG funding ceases;
  - h) Funding new innovations through prior agreement of the Executive Member for Communities and International Affairs to support the transformational ambition of the programme (e.g. links to skills and employment programmes).
- 15.1.6 Cabinet recommends to the Leader that ongoing responsibility for the Supporting Troubled Families Programme be added to the Executive Portfolio of the Executive Member for Communities and International Affairs.
- 15.1.7 The performance, monitoring and control of the programme will link closely to the County Council's strategic transformation programme and the Open for Business strategy which will track and monitor performance as the programme progresses.
- 15.2. It is also recommended that Cabinet notes the key programme risks associated with a programme of this scale and ambition as outlined in Section 13 and Appendix H to this report.

**CORPORATE OR LEGAL INFORMATION:****Links to the Corporate Strategy**

<b>Hampshire safer and more secure for all:</b>	Yes/æ
Corporate Improvement plan link number (if appropriate):	
<b>Maximising well-being:</b>	Yes/æ
Corporate Improvement plan link number (if appropriate):	
<b>Enhancing our quality of place:</b>	Yes/æ
Corporate Improvement plan link number (if appropriate):	

**Section 100 D - Local Government Act 1972 - background documents**

The following documents discuss facts or matters on which this report, or an important part of it, is based and have been relied upon to a material extent in the preparation of this report. (NB: the list excludes published works and any documents which disclose exempt or confidential information as defined in the Act.)

<u>Document</u>	<u>Location</u>
Financial framework for the Troubled Families programme's payment – by – results scheme for local authorities (Department for Communities and Local Government)	<a href="http://www.communities.gov.uk">www.communities.gov.uk</a>
DWP/ESF Progress! Programme	<a href="http://www.dwp.gov.uk/supplying-dwp/what-we-buy/welfare-to-work-services/provider-guidance/esf-support-for-families.shtml">http://www.dwp.gov.uk/supplying-dwp/what-we-buy/welfare-to-work-services/provider-guidance/esf-support-for-families.shtml</a>

## **IMPACT ASSESSMENTS:**

### **1. Equalities Impact Assessment:**

- 1.1. An outline equalities impact assessment has been completed by the programme team as part of the initial programme planning and mobilisation. It has highlighted that the programme may disproportionately impact upon families within particular age groups and families with women in the household due to the DCLG definition of a troubled family.
- 1.2. The programme will also target disadvantaged families, who will be low income households and are likely to be geographically clustered in areas of high deprivation. They may also have specific health issues.
- 1.3. This is a positive programme designed to improve the lives of some of Hampshire's most troubled families and communities, and therefore the impacts are likely to be positive.
- 1.4. In instances where families may not meet DCLG criteria, but are deemed locally to benefit from the programme, a funding mechanism utilising the leaders budget and local resource contributions will be developed.
- 1.5. The impact assessment will also be treated as a dynamic document and will be periodically updated once the year 1 cohort is finalised.

### **2. Impact on Crime and Disorder:**

- 2.1. A key objective of the Supporting Troubled families Programme is to reduce offending and anti social behaviour amongst families targeted for support.

### **3. Climate Change:**

- a) How does what is being proposed impact on our carbon footprint / energy consumption? Not applicable
- b) How does what is being proposed consider the need to adapt to climate change, and be resilient to its longer term impacts? Not applicable

**Appendix C – Year 1 Set up Funding Available per District**

	<b>Total Families per annum (to be engaged)</b>	<b>LCG Set Up Cost</b>	<b>Additional Family Assessment (£50 per family)</b>	<b>Total</b>
Basingstoke and Deane	89	5,000	4,450	9,450
Eastleigh	52	5,000	2,600	7,600
Fareham	42	5,000	2,100	7,100
Gosport	60	5,000	3,000	8,000
Hart	17	5,000	850	5,850
Havant and East Hants	93	10,000 (5k each council)	4,650	14,650
New Forest	58	5,000	2,900	7,900
Rushmoor	38	5,000	1,900	6,900
Test Valley	50	5,000	2,500	7,500
Winchester	31	5,000	1,550	6,550
<b>Hampshire</b>	<b>530</b>	<b>55,000</b>	<b>26,500</b>	<b>81,500</b>

**Appendix D - Hampshire County Council Contribution proposed spend**

	2012/13	2013/14	2014/15	TOTAL
	£	£	£	£
Annual Funding	<b>300,000</b>	<b>300,000</b>	<b>300,000</b>	<b>900,000</b>
LGC set up costs	81,500	35,600	17,400	134,500
HCC contribution to Central Programme Team	51,000	51,000	51,000	153,000
Sum Remaining	<b>167,500</b>	<b>213,400</b>	<b>231,600</b>	<b>612,500</b>
To Fund (to be confirmed via agreement with Executive member see 15.1.5 d)				
Support the training needs of local agencies and providers				
Include additional families in the programme who don't meet DCLG funding criteria				
Fund additional interventions				
Data analysis exercise and contribution to academic partner				
Programme Communications				
Smooth transition from years two to three and beyond				
Innovative Spend subject to Exec Member Approval				

Appendix E – Possible DCLG funding available per District for Year 1 (Centrally Commissioned<sup>6</sup>)

	Families Meeting both criteria Year 1	%	Total IFSS Numbers	Funding per family (attachment)	Funding per family (reward)	Total Funding per family	Total attachment fee funding	Total reward funding	Total Funding
Basingstoke and Deane	84	17%	27	Up to 3,600	Up to 2,400	Up to 6,000	Up to 97,200	Up to 64,800	Up to 162,000
East Hampshire	27	5%	9	Up to 3,600	Up to 2,400	Up to 6,000	Up to 32,400	Up to 21,600	Up to 54,000
Eastleigh	49	10%	16	Up to 3,600	Up to 2,400	Up to 6,000	Up to 57,600	Up to 38,400	Up to 96,000
Fareham	40	8%	13	Up to 3,600	Up to 2,400	Up to 6,000	Up to 46,800	Up to 31,200	Up to 78,000
Gosport	56	11%	19	Up to 3,600	Up to 2,400	Up to 6,000	Up to 68,400	Up to 45,600	Up to 114,000
Hart	16	3%	5	Up to 3,600	Up to 2,400	Up to 6,000	Up to 18,000	Up to 12,000	Up to 30,000
Havant	60	12%	20	Up to 3,600	Up to 2,400	Up to 6,000	Up to 72,000	Up to 48,000	Up to 120,000
New Forest	54	11%	18	Up to 3,600	Up to 2,400	Up to 6,000	Up to 64,800	Up to 43,200	Up to 108,000
Rushmoor	36	7%	12	Up to 3,600	Up to 2,400	Up to 6,000	Up to 43,200	Up to 28,800	Up to 72,000
Test Valley	47	9%	16	Up to 3,600	Up to 2,400	Up to 6,000	Up to 57,600	Up to 38,400	Up to 96,000
Winchester	29	6%	10	Up to 3,600	Up to 2,400	Up to 6,000	Up to 36,000	Up to 24,000	Up to 60,000
<b>Hampshire</b>	<b>498</b>	<b>100%</b>	<b>165</b>				<b>Up to 594,000</b>	<b>Up to 396,000</b>	<b>Up to 990,000</b>

<sup>6</sup> Intensive Family Support Services (IFSS) will be commissioned centrally by HCC. Providers will receive up to 60% upfront funding with up to an additional 40% being made available if successful outcomes are met.

## Appendix F – DCLG funding available per District for Year 1 (Locally Devolved)

	Families Meeting both criteria Year 1	%	Total Family Numbers	Funding per family (attachment)	Funding per family (reward)	Total Funding per family	Total attachment fee funding	Total reward funding	Total Funding
Basingstoke and Deane	84	17%	62	Up to 1,277	Up to 851	Up to 2,128	Up to 79,174	Up to 52,762	Up to 131,936
East Hampshire	27	5%	20	Up to 1,277	Up to 851	Up to 2,128	Up to 25,540	Up to 17,020	Up to 42,560
Eastleigh	49	10%	36	Up to 1,277	Up to 851	Up to 2,128	Up to 45,972	Up to 30,636	Up to 76,608
Fareham	40	8%	29	Up to 1,277	Up to 851	Up to 2,128	Up to 37,033	Up to 24,679	Up to 61,712
Gosport	56	11%	41	Up to 1,277	Up to 851	Up to 2,128	Up to 52,357	Up to 34,891	Up to 87,248
Hart	16	3%	12	Up to 1,277	Up to 851	Up to 2,128	Up to 15,324	Up to 10,212	Up to 25,536
Havant	60	12%	44	Up to 1,277	Up to 851	Up to 2,128	Up to 56,188	Up to 37,444	Up to 93,632
New Forest	54	11%	40	Up to 1,277	Up to 851	Up to 2,128	Up to 51,080	Up to 34,040	Up to 85,120
Rushmoor	36	7%	26	Up to 1,277	Up to 851	Up to 2,128	Up to 33,202	Up to 22,126	Up to 55,328
Test Valley	47	9%	34	Up to 1,277	Up to 851	Up to 2,128	Up to 43,418	Up to 28,934	Up to 72,352
Winchester	29	6%	21	Up to 1,277	Up to 851	Up to 2,128	Up to 26,817	Up to 17,871	Up to 44,688
<b>Hampshire</b>	<b>498</b>	<b>100%</b>	<b>365</b>				<b>Up to 466,105</b>	<b>Up to 310,615</b>	<b>Up to 776,720</b>

**Appendix G** Tender options**Option 1: Contract is offered as one lot across the County****Pros**

Efficient contract monitoring arrangements.

Competitive costing, economies of scale.

**Cons**

Risk of small organisations not being able to compete.

Capacity of providers to fulfil contract.

Does not encourage supplier diversity, i.e. local voluntary sector.

**Option 2: Contract is offered in three lots****LOT A**

Basingstoke District

Hart District

Rushmoor District

**44 Families per year**

**LOT B**

Fareham District

Gosport District

Havant District

East Hampshire District

**61 Families per year**

**LOT C**

Test Valley District

Winchester District

Eastleigh District

New Forest District

**60 Families per year**

**Pros**

Encourages smaller and voluntary providers to tender.

Competitive costing, economies of scale.

Some District Councils already working collaboratively.

**Cons**

Size of areas may be too large for some providers.

Varying Lot values.

**Option 3: Contract is offered in ten lots mirroring areas of the Local Co-ordination Groups****Pros**

Encourages local supplier diversity.

Encourages small providers locally to tender.

**Cons**

Risk of too many providers and not best value for money.

Contract managing arrangements x10.

Conflicts with devolved allocation proposal.

## Appendix H – Summary of Programme Risk Register

Risk	Likelihood	Impact	Response
<b>Financial</b> – Although the financial risk of not achieving outcomes will be passed onto providers through reward funding, there is a risk that providers will not utilise the attachment fee funding in the most effective manner and not deliver the level of performance expected by the programme.	Moderate	High	The centrally commissioned element relating to intensive family support services will have a clear contract specification outlining minimum requirements. This will ensure “attachment fee” payments are made quarterly and can be held back where the provider cannot demonstrate it is meeting minimum requirements and engaging appropriately with families.
<b>Number of Families</b> - Funding is based on engaging with 1,590 <b>different</b> families in Hampshire over a 3 year period. i.e. The programme cannot claim funding for the same family twice. This may restrict the total financing available, if additional families are not identified in years two and three..	Moderate	Moderate	The list will be refreshed on an annual basis in conjunction with the local coordination groups to identify families.
<b>Data Sensitivity</b> – A legal risk of sharing sensitive data sets, particularly in relation to data protection and information relating to vulnerable young people	Moderate	High	A data sharing protocol has been established for purposes of identifying the year one cohort. This will be signed by each SRO for each Local Coordination Group. It states data will only be shared for the purposes of identifying the cohort and must be shared and kept securely A secure case management system will also be used by the programme for t sharing information and tracking progress with each family.
<b>Evidencing Outcomes</b> – A risk that the performance framework will not be able to track family outcomes and demonstrate that successful interventions have been met.	Moderate	High	The performance framework is expected to be linked to the case management system to track family outcomes .  The framework will be put in place prior to grant monies being devolved locally to providers.
<b>Engagement and Successful Interventions</b> –. The £4,000 per family may not be sufficient to engage effectively with some troubled families with longstanding intergeneration problems and deliver successful outcomes.	High	High	The expectations of “turning round” all families in the cohort will be managed from an early stage within the programme. The importance of local funding and resources is also being communicated to local partners, to maximise the level of resources available to tackle longstanding problems and work in new and innovative ways with families.
<b>Culture and Transformation</b> – A risk that the programme fails to realise its transformational ambition to promote new ways of multi-agency working with families in the longer term in a more joined up and coordinated manner.	High	High	The programme has been established in such a way to engage with local partners and promote coordination and join up from the outset. The ongoing transformational ambition at a local level will be a key role for the central programme team to drive as the programme progresses.
<b>Sustainability</b> – DCLG funding will be a one-off financial contribution per family. It is expected that if partners need to work with families over a longer period of time to deliver successful interventions, it will need to be funded through local contributions which recognise the financial benefit of early intervention and prevention.	High	High	The programme will need to work with key local/ regional partners to demonstrate the benefits of early help. This will be supported through engaging local partners in the invest to save business case, which will demonstrate the financial benefit of early help.  An evaluation partner will be appointed locally to support the programme in Hampshire and link to the national evaluation partner.

**Appendix I – Timeline (2012/13)**

