

CABINET ITEM COVERING SHEET PROFORMA

AGENDA ITEM

REPORT TO CABINET

17 JULY 2014

**REPORT OF CORPORATE
MANAGEMENT TEAM**

CABINET DECISION

Leader of the Council – Lead Cabinet Member - **Councillor Bob Cook**

YEAR TWO OF THE 'TROUBLED FAMILIES' PROGRAMME

1. Summary

This report provides an outline of the progress achieved during the second year (April 2013 to March 2014) of delivering the 'Troubled Families' programme in Stockton, and provides an update on the future of the programme.

2. Recommendations

1. That the report be noted, including the intention to extend the current contracts with Tees Valley Housing (to be re-named Thirteen Care and Support) and the Synergy VCS Consortium by a further 12 months each, to 31 July 2015 and 30 September 2015 respectively, subject to continued satisfactory performance.
2. That the previous decision to prepare a further report examining in more detail the case for continued funding from the Council's 'Invest to Save' budget for a continuation of the programme beyond 2015/16 now be replaced by a further report on the future of the programme in the context of the national 'Phase Two' of the programme, the decision of Cabinet on 13 June 2013 to extend the programme in Stockton for a further year, and the size of the 'Phase One' surplus.

3. Reasons for the Recommendations/Decision(s)

1. To maintain political oversight of programme delivery.
2. To ensure that a properly informed decision is made about the costs and benefits of continued delivery of the programme in a timely manner, before skills and expertise are dissipated.

4. Members' Interests

Members (including co-opted Members) should consider whether they have a personal interest in any item, as defined in **paragraphs 9 and 11** of the Council's code of conduct and, if so, declare the existence and nature of that interest in accordance with and/or taking account of **paragraphs 12 - 17** of the code.

Where a Member regards him/herself as having a personal interest, as described in **paragraph 16** of the code, in any business of the Council he/she must then, **in accordance with paragraph 18** of the code, consider whether that interest is one which a member of the public, with knowledge of the relevant facts, would reasonably regard as so significant that it is likely to prejudice the Member's judgement of the public interest and the business:-

- affects the members financial position or the financial position of a person or body described in **paragraph 17** of the code, or
- relates to the determining of any approval, consent, licence, permission or registration in relation to the member or any person or body described in **paragraph 17** of the code.

A Member with a personal interest, as described in **paragraph 18** of the code, may attend the meeting but must not take part in the consideration and voting upon the relevant item of business. However, a member with such an interest may make representations, answer questions or give evidence relating to that business before the business is considered or voted on, provided the public are also allowed to attend the meeting for the same purpose whether under a statutory right or otherwise (**paragraph 19** of the code)

Members may participate in any discussion and vote on a matter in which they have an interest, as described in **paragraph 18** of the code, where that interest relates to functions of the Council detailed in **paragraph 20** of the code.

Disclosable Pecuniary Interests

It is a criminal offence for a member to participate in any discussion or vote on a matter in which he/she has a disclosable pecuniary interest (and where an appropriate dispensation has not been granted) **paragraph 21** of the code.

Members are required to comply with any procedural rule adopted by the Council which requires a member to leave the meeting room whilst the meeting is discussing a matter in which that member has a disclosable pecuniary interest (**paragraph 22** of the code)

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DETAIL

1. Members will recall that the Council, along with all other principal local authorities in England, agreed to take part in the Government's 'Troubled Families' programme over the three year period April 2012 – March 2015, and that the programme is targeted on families identified through a set of national criteria which include juvenile offending, involvement of any family member in Anti-Social Behaviour (ASB), exclusion from school or unauthorised absence levels of 15% or more, and receipt of a range of worklessness benefits.
2. Contracts were set up with Tees Valley Housing (i.e. our existing Family Intervention Project – 'FIP') for 60% of the programme, which started on 1 August 2012 and with the VCS Synergy Consortium, supported by Catalyst, for the other 40%, which started on 1 October 2012, and the Consortium nominated A Way Out, the Children's Society, Corner House Youth Project/KnowHow North East, and Eastern Ravens Trust as its four lead organisations for this work. It should be noted that there will be a formal change of name on the contract with Tees Valley Housing to 'Thirteen Care and Support', reflecting the formation of the Thirteen Group, as a result of the merger of the Vela and Fabrick Groups.

3. The profiles of family numbers to be allocated for the three years are now as set out below (Year 3 figures are approximate):-

	Year 1	Year 2	Year 3	Total
FIP	97	144	28	269
Consortium	<u>72</u>	<u>96</u>	<u>18</u>	<u>186</u>
	169	240	46	455

A breakdown by Ward is attached as **Appendix A**. Although these are the formal start years for the purposes of claiming 'attachment fees' from the Department for Communities and Local Government (CLG) there is considerable 'smoothing' of workload, due to staggered starts during Year 2 and the accumulation of non-responsive cases from the first two years.

4. Based on these projections, the revised budget projections for the programme are set out at **Appendix B**. Members will note that there is still a significant projected surplus over the three years, and that it was agreed by Cabinet on 13 June 2013 to use part of this to support a fourth year of programme delivery.
5. CLG classifies a family as having been 'turned around' when either the education, ASB and youth offending success conditions or the 'continuous employment' success conditions have been achieved. In brief, the success conditions require, in the first case, that every child in the family has had fewer than three fixed term exclusions from school and less than 15% unauthorised absence in the last three school terms, that there has been a 60% reduction in ASB across the family in the last six months, and that the offending rate across all juveniles in the family has reduced by at least 33% in the last six months. In the second case, at least one adult in the family must have moved off out-of-work benefits into continuous employment in the last six months. Based on the definition of families 'turned around' and on figures published by CLG up to and including the October 2013 round of success claims, Stockton was ranked ninth of the 152 participating local authorities in terms of percentage of families 'turned around'.
6. It is anticipated that we will slip down the rankings to some extent when the next set of figures, including the February 2014 claims window, are published, as ninth position reflected our relatively rapid progress in Year One (2012/13), and other authorities are now catching up. The level of difficulty in achieving the employment outcomes varies across the country. However, it is anticipated that we will maintain 'top quartile' performance to the end of the programme. Louise Casey, the Director General of 'Troubled Families' at CLG, wrote to the Chief Executive on 11 November 2013 expressing appreciation of Stockton's performance as "really strong" and "well above the average". Following the May 2014 claims window we had claimed successes in the cases of 229 families, of which 211 met the CLG 'turned around' definition, ie a success rate of 46% to that point.
7. An independent evaluation of the work undertaken by Thirteen Care & Support (ranging across a mix of 'Troubled Families' and Family Intervention Project cases) has been commissioned from Durham University. Baseline studies have been undertaken with a sample of 22 families and, at the time of writing, follow up interviews have been carried out with three of these families. On the basis of this very limited follow up sample to date, the interim findings are positive, but a fuller picture is needed before any conclusions can be drawn.

8. The national evaluation programme commissioned by CLG is underway, and we have supplied data on a 10% sample of our 'Year One' families for this purpose. We are participating in this as a 'Level 3' authority (there are four levels of participation, with Level 1 the most intense and detailed, and Level 4 the least).
9. On 24 June 2013 CLG announced a five year extension of the national programme from 2015/16 to 2019/20, likely to be funded at the level of £200 million per year i.e. £1 billion in total. The original three years, 2012/13 to 2014/15, are now referred to as 'Phase One', with the extra five being referred to as 'Phase Two' or 'the Expanded Programme'. The level of funding per family becomes less generous in Phase Two, as summarised in the table below.

	National funding	Total number of families	Funding per family
Phase One	£450 million	120,000	£3,750
Phase Two	£1 billion	400,000	£2,500

Civil servants from CLG have said that they hope to secure Ministerial approval for the details of Phase Two by the end of July 2014.

10. CLG invited comments on the design of Phase Two. The following issues were raised as part of our response to that consultation:-
 - **TIMING** – the need to have all details in place by Autumn 2014, to allow for systems development and in order to retain staff on fixed term contracts
 - **FUNDING** – the need to avoid any further shift towards PBR because the financial risk to local authorities could make continued participation unattractive.
 - **ELIGIBILITY** – the need to allow for inclusion of a small proportion of families with children of pre-school age only.
 - **RELAPSE** – the need to recognise within the system that some cases will be closed and will subsequently need to be re-opened.
11. Our February 2014 success claim was randomly selected by CLG for a 'spot check'. All queries raised by CLG were resolved promptly and the overall comment from CLG was "strong return showing a good handle on the data", with no further action needed, and no need to spot check again. In addition, the council's own Internal Audit team has carried out an audit of the programme in Stockton resulting in a judgement of 'Full Assurance' and two recommendations to clarify record-keeping arrangements, both of which have been agreed and implemented.
12. A new feature of our programme is incentivisation of families to join Tees Credit Union. Any adult in a family currently engaged with the programme who opens a TCU account and makes at least two deposits within the first eight weeks totalling at least £20 will receive an extra £20 paid into their account from 'TF' funds. A limit of 250 adults (i.e. £5k) has been placed on this, but it is unlikely that take-up will get anywhere near this. This approach is based on a model developed by the national Illegal Money Lending Team and promoted – albeit with no success – to local taxi drivers, as a high risk group in terms of vulnerability to 'loan sharks'. At the time of writing only one person has taken advantage of this offer.

13. In March 2014 CLG asked all participating local authorities to provide case studies, and the four local case studies submitted will be placed in the Members' library.
14. For Year 3 of the Programme the former Head of Community Protection will be continuing to provide overall programme co-ordination and liaising with colleagues in the Children, Education and Social Care service group with a view to CESC leading on the delivery of Phase Two.

15. FINANCIAL IMPLICATIONS

The financial implications are covered at paragraph 4 and **Appendix B**.

16. LEGAL IMPLICATIONS

There are no new legal implications arising from this report.

17. RISK ASSESSMENT

This programme is categorised as low to medium risk. Existing management systems and daily routine activities are sufficient to control and reduce risk.

18. SUSTAINABLE COMMUNITY STRATEGY IMPLICATIONS

Economic Regeneration and Transport

Successful delivery of the programme will result in reductions in worklessness and reliance on benefits among the target families.

Safer Communities

Successful delivery of the programme will result in reductions in crime and anti-social behaviour

Children and Young People

Successful delivery of the programme will result in reduced pressure on Children's Services and improvements in educational engagement and attainment.

Healthier Communities and Adults

Successful delivery of the programme will result in improved health among the target families.

Environment and Housing

Successful delivery of the programme will result in fewer evictions and reductions in other tenancy enforcement action.

Supporting Themes:-

Stronger Communities

Successful delivery of the programme will reduce some of the factors which erode community cohesion.

Older Adults

There may be some benefit to grandparents, as well as to older adults in the wider community.

Arts Leisure and Culture

No current implications.

19. EQUALITIES IMPACT ASSESSMENT

- This report is not subject to an Equality Impact Assessment because it does not seek approval of a new policy, strategy or change in the delivery of a service.

20. CONSULTATION INCLUDING WARD/COUNCILLORS

None

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Education related? Yes

Background Papers Documents as cited published by CLG Families Unit.
Report to Cabinet 13 June 2013 "Year One of the 'Troubled Families'
Programme"

Ward(s) and Ward Councillors: All wards except for Northern Parishes and Yarm had at least one family on the Year 1 and Year Two lists, as detailed at Appendix A.

Property No property implications.