Date: 15 February 2019
Subject: Troubled Families Funding Allocation
Report of: GM Mayor, Andy Burnham

PURPOSE OF REPORT

The report provides an update on the progress made since agreement was reached with MHCLG to re-profile the remainder of Greater Manchester’s allocation of Troubled Families Funding. It includes a recommendation to release the 18/19’s funding from the Reform Investment Fund to all GM Districts in line with the previously agreed process.

RECOMMENDATIONS:

- GMCA are recommended to note the progress that has been by districts made in moving to more sustainable early help models since the first set of Troubled Families investment plans were produced in January 2018.
- GMCA are recommended to note and agree the allocation of Troubled Families funding for 2018/19 to all GM districts in line with the agreed process and as detailed in the table in section 1.5 of the report.
- GMCA are recommended to note that there will be similar process for the release 19/20 funding including a requirement for GM Districts to refresh the investment / implementation plans.

CONTACT OFFICERS:

Andrew Lightfoot – GMCA
Jacob Botham – GMCA
1.0 Background

1.1 In April 2017 GMCA received a report that set out details of an agreement with MHCLG that Greater Manchester would re-profile its remaining allocation of Troubled Families funding (c.£35m) with c.£20m of the funding being made available to GM in 2017/18. Included within this report was the recommendation that:

- Local Authorities will receive the remainder of their allocation of funding (including what would have been the payment by results and subsequent STG and attachment fees) on a phased basis once clear investment plans have been developed which demonstrate the transformation required to ensure sustainability.

1.2 On the back of this agreement work commenced at district level to produce a set of three year investment plans describing how the remaining Troubled Families funding would be used to move towards a more sustainable offer for families (within the context of public service reform). They also set out how they would fulfill the requirements of the national Troubled Families programme including working with the agreed number of families.

1.3 A process was put in place by the GM PSR team to review the plans and a report was submitted to the Reform Investment Fund Panel in January and subsequently to the GMCA in March 2018 that recommended:

- That approval be given for the full allocation of Troubled Families investment funding for 2017/18 to be released to each locality.

- That the future Troubled Families funding for 2018/19 and 2019/20 be conditional on a) the production of a comprehensive implementation plan by each locality by April 2018 (to include key milestones for investment and activities) and b) evidence that the locality has responded to the development areas identified as part of feedback on their plans.

- That it be agreed that September would be a suitable milestone to refresh the investment plans and agree funding requirements for 2018/19.

1.4 These recommendations were endorsed by both the Reform Investment Panel and the GMCA. This report provides an update on progress that has been made since districts received their funding with a focus on investments made and progress on implementation.

1.5 The total funding available to GM Districts for 18/19 is £7,744,024. This accounts for the total amount of funding that each area would have received as attachment payments for families, the service transformation grant and what would have been paid in successful payment by results claims under the financial framework for the national programme had GM not reached agreement with MHCLG to re-profile the Troubled Families Funding as part of the GM Reform Investment Fund. GM has received confirmation that the release of this funding has now been approved by the relevant Minister in MHCLG. The breakdown of the amount each district can expect to receive for 18/19 is detailed in the table below. In line with previous agreements when the Reform Investment Fund was formally established a proportion of funding has been allocated for GM level investments through the Reform Investment Fund.
The Table in the Appendix also includes details of the funding that each district received in 2017/18 and what they can expect to receive in 19/20.

### 2.0 Progress on Investments / Implementation

#### 2.1
Based on a review of the second iteration of the investment plans that were submitted in October 2018 overall there has been relatively little deviation in the nature of the investment that districts first identified when they submitted the investment plans in January 2018. Where there has been variation this is generally as a result of alternative funding sources being identified for specific projects or where the development of parallel pieces of work have mitigated the requirement for investment.

#### 2.2
In relation to progress on implementation any delays have mostly been a result of external factors such as delays in local recruitment processes for specific posts, changes in leadership, delays in the implementation of specific local strategies particularly in relation to investment in IT / Digital solutions (case management systems) and the timing of local reviews or newly launched strategies – for example a number of areas have recently undertaken reviews of their early help offer. Where there have been more significant concerns about progress GMCA resources have worked with lead officers in Districts in order to get plans to the required standard.

#### 2.3
Whilst the majority of planned investment is still allocated to the core costs of targeted early help services since the agreement was reached with MHCLG to re-profile the remainder of the Troubled Families funding, there has been a considerable shift in the nature of investment towards enablers /activity designed to support service transformation. This includes:

**Workforce / Behaviour Change** – to varying degrees Troubled Families funding is being used to support workforce/ behavior change activity in all GM Districts. This recognizes the importance of having a workforce (including universal services) equipped with the right skills and behaviours to be able to work effectively with more vulnerable and complex residents. There are also a number of examples of investing in the capacity of existing resources to support universal services to undertake assessments and put appropriate plans in place for families.

**Digital/IT** – There are examples of Troubled Families funding to bolster/accelerate the development of their digital/ IT capabilities recognizing that more integrated IT systems have an important role to play in
supporting case management, monitoring performance and evaluating impact both now and beyond the course of the programme.

Community investment - GM Districts recognise that making sure that families can get support when they need it cannot be the sole responsibility of public services. There are also some good examples of how small elements of Troubled Families funding being used to help people access support they need often without the need for costly services.

Early Help system design and development - GM districts have sought to invest in the expansion of their early help offer in a number of ways, most notably through strengthening the ability to triage effectively, improving the quality assurance function and investing in specific activity that will strengthen the role of particular universal services such as schools.

3.0 Meeting the Ambitions of the Fund

3.1 Following the receipt of the Troubled Families funding in 2017/18 a set of guiding principles for this element of funding were produced that districts could use in order to steer local decision making around how this funding could best be utilised. These were:

- Investing earlier and at scale in the development of sustainable delivery models to support our most complex and vulnerable residents
- Expanding the capacity of the service offer for Families and individuals with multiple complex issues
- Investing in Early Intervention / prevention approaches, models and system enablers that will help manage current and future demand
- Drive integration with other reform activity through Place Based Integration
- Strengthen existing transformation plans and link to GM investment opportunities

3.2 From the nature of the investments and the progress reported by districts there is good evidence that the Troubled Families funding is being used to support these aims, particularly in relation to strengthening early help models in GM districts and moving to place based delivery models.

3.3 Some of the investments described above are important for the sustainability of the support offer for complex and vulnerable families in Greater Manchester and all areas are able to articulate a broad strategy or approach for achieving sustainability. This will not completely mitigate against the likely requirement to reduce the core family support service offer that is available in districts should no further funding be available for the Troubled Families programme post 2020. There is therefore still work to be done for some districts around a future plan for some of the posts that are currently reliant on Troubled Families funding within the context of local investment.

3.4 There is evidence from the investment plan that Troubled Families funding is being used to support wider public service reform ambitions in districts, for example in the last twelve months there has been significant activity to integrate early help activity into the place based delivery models. Although this is happening at different pace and scale in districts and takes different forms there is clear evidence of a shift towards trying to manage complex demand at a neighbourhood level. In districts where this has not yet happened this ambition is at least articulated in their plan.

3.5 Specific elements that currently appear less developed / clear in some districts is how the early help offer interacts with the Local Care Organisations and how Troubled Families funding aligns to other transformation funding. Within the context of the forthcoming New Model of Public Service described in
the White Paper this should be an area for greater focus for the next 12 months. The White Paper should also help to influence the development of the next iteration of the investment plans for 2019/20.

4.0 Evidence of Impact

4.1 It is too early in the process to establish to what extent the agreement with MHCLG to re-profile the remaining Troubled Families funding has had a direct impact on improving outcomes for families. However, the latest performance information shows the following:

- Over the four-year period to September 2018, Greater Manchester (GM) has engaged a total of 26,987 families into the Troubled Families (TF) programme. This amounts to 99% of the 2020 target of 27,230.
- By the end of December 2018, a total of 11,961 of these families had achieved successful outcomes; that is, issues identified in the Family Plan had been addressed and the case brought to a successful closure. This amounts to 44% of the total 2020 target and represents a conversion rate\(^1\) of 56%.
- 15,026 of the families engaged are still receiving direct support from family support services. It is anticipated that a significant number of these cases will close over the next quarter and, based on the latest conversion rate, we expect a minimum of 8,414 families to achieve a successful outcome.
- Evidence suggests that Troubled Families investment is enabling partner organisations to work with a much larger number of families than the 26,987 through an expanded early help offer. It is estimated that there are over 10,000 families that are receiving an early help offer but are not currently included in the overall cohort at this stage.
- GM’s own evaluation of the programme that includes over 8,000 families suggests some positive signs in terms of impact on demand for high cost services – for example, the TF programme appears successful in supporting the de-escalation of around 50% of the statutory Children’s Social Care cases where a Family worker is involved and also in preventing 85% of ‘universal service’ families escalating to statutory thresholds.

4.2 In addition to the local evaluation, there has been a concerted effort from the GMCA Research team to support districts to develop a suitable Cost Benefit Analysis that sits alongside their investment plans. Districts have operated some discretion in focusing their CBA on the aspects of their delivery models that are most important to them locally, for example, some areas have included costs for the totality of their early help model whilst others have focused on specific aspects of the model such as the ‘front door.’ Indications from those areas that have sought to include the full extent of their early help models suggest that on average there is a return on investment of around £1.80 for every £1 invested. Work is also underway to look at re-referral rates into targeted Early Help services that GM expects to report over the next quarter.

5.0 Conclusions

5.1 It is clear from the work that has taken place over the last six months that overall GM districts have made some good progress with their investment plans. Having these supported by clear implementation

\(^1\) Current conversion rate is calculated as: current successful closures / total attachments 12 months ago. This 12 month time lag allows a reasonable length of time in which to address a family’s issues and bring about a successful closure.
plans has helped keep a focus and visibility on progress locally and at a GM level. It has also enabled GMCA to target its resources to support districts where it is needed.

5.2 In terms of the process GM has adopted for managing the Troubled Families funding the feedback from districts is that it has been effective in helping to stimulate the conversation locally around how the Troubled Families funding can be best used to strengthen the early help offer, drive service transformation and create greater accountability for both spend and implementation. There is an opportunity to build on this and consider how this process might support the further development of the GM Reform Investment Fund.

5.3 The reform agenda in Greater Manchester has continued to progress since the agreement was reached on the Troubled Families Funding. We therefore need to ensure that we continue to see both the Troubled Families programme and the investment plans within this context particularly as work on transformation of Children’s Services in GM and place based working gathers pace.

5.4 Whilst a drive towards greater sustainability has been a central feature of the investment planning process and districts have responded to this through the nature of their investment and wider planning it would be naïve to suggest that this will address the impact of no future government funding to support our work with complex and vulnerable cohorts post 2020. Whilst GMCA and the districts will continue to work towards more sustainable models of delivery we are committed to continuing to work in partnership with the Troubled Families unit to build a strong case to Ministers for continued investment post 2020 through the Spending Review.
### Appendix – Troubled Families Funding available to GM Districts until 2020

<table>
<thead>
<tr>
<th>District</th>
<th>Final TF Phase 2 Allocation of Families</th>
<th>Total Funding Paid upfront in 17/18</th>
<th>Total Investment Funding paid in 17/18 following submission of Investment Plans</th>
<th>Funding available in 18/19</th>
<th>Funding available in 19/20</th>
<th>Total Troubled Families Funding available until 2020</th>
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<tr>
<td>Bolton</td>
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