



HM TREASURY

Press Notice

24/06/13

*****Embargoed until 14:00 on Monday 24 June*****

Government announces massive expansion of Troubled Families programme

Chief Secretary to the Treasury, Danny Alexander today announced a massive expansion of the Government's groundbreaking Troubled Families programme, investing an additional £200 million to start to extend intensive help to 400,000 high risk families to get to grips with their problems before they spiral out of control.

Part of a radical reform agenda that will be set out at the Spending Round, the £200 million funding for 2015/16 – the first of five years – includes new incentives for local services such as the police, health and social services to work more closely together in order to reduce costs and improve outcomes for families. The payment by results programme will be administered by the Department for Communities and Local Government, but funded from across Whitehall.

The Troubled Families programme works by assigning a dedicated worker to engage with a whole family on all of its problems, such as ensuring that the children attend school, appointments are met and appropriate services are accessed. Crucially, all of the public services involved with members of a family are coordinated and the demand on them reduced.

Delivered in partnership with local areas, central government will cover 40 per cent of the cost of working with each family. Funding will come from a number of departments including Communities and Local Government, Education, Work and Pensions and Health, with full payment made only when results are achieved. The other 60 per cent will be covered by local authorities and other local partners who all benefit from the savings that result.

A one-off average investment of £4,500 in work with each family is expected to reduce the annual £15,000 cost of dealing with their problems, by supporting families to access work, reducing anti-social behaviour, poor school attendance and criminality.

Speaking on a visit to Wandsworth's Family Recovery Project, Danny Alexander said:

"Reforming how services are delivered is going to be a central part of this week's Spending Round. The Troubled Families programme is a radical example of how, by spending a bit more in certain areas, we can save much more in others and by doing so create a stronger economy and a fairer society. Extending this intensive help to 400,000 more families will enable us to tackle problems such as truancy, anti-social behaviour and crime. The government is committing £200 million in funding in 2015/16 and for every £4,500 spent on a family, we can reduce the annual £15,000 cost of dealing with their problems by reducing the burden on the police, health and social services."

Secretary of State for Communities and Local Government, Eric Pickles said:

"The groundbreaking Troubled Families programme being run by local authorities is on track to turn around the lives of 120,000 families by 2015 and reduce the burden they put on the taxpayer for the long term. It does so by taking a no-nonsense approach with families and a common sense approach to changing the way services are run. I am delighted that we will be able to continue the progress we have begun after 2015."

Head of the Troubled Families programme, Louise Casey said:

"It is great news that the momentum we have built up on the Troubled Families programme can continue by extending the approach to a wider group of families who, for example, are struggling with health problems or parenting, where their children are not in school or are at risk of being taken into care. This new programme will enable us to help earlier in families' lives to change them for the better."

The announcement was made on a visit to Wandsworth's multi-agency Family Recovery Project, which today announced that it has turned around nearly a third of its troubled families, saving the taxpayer roughly £29,000 per troubled family per year.

Notes for Editors

1. The funding will be available from 2015/16 and – over five years – will see another 400,000 vulnerable families provided with intensive help to get to grips with their problems and change their lives for the better, before they reach the crisis points that would qualify them for the current Troubled Families programme.
2. At present, an estimated 84% of public spending on these families is reactive, with only 16% being invested to try and improve their lives.
3. Before accessing the payment by results funding for working with families, local agencies will also have to produce a detailed plan setting out how they will join up and reform their services in order to produce savings for the taxpayer.
4. All 152 upper-tier authorities in England have signed up to work with government on the current Troubled Families programme and have already begun work with over 35,000 families. This year the programme was voted the top government policy in a poll of local government CEOs.

Non-media enquiries should be addressed to the Treasury
Correspondence and Enquiry Unit on
020 7270 5000 or by e-mail to public.enquiries@hm-treasury.gov.uk

This Press Release and other Treasury publications are available on
the HM Treasury website
www.gov.uk/government/organisations/hm-treasury For the latest information
from HM Treasury you can subscribe to our RSS feeds or email
service.

Media enquiries should be addressed to the Treasury Press Office on
020 7270 5238.