

ITEM 3 HOMELESSNESS BROKERAGE PROGRAM - CONTRACT EXTENSION

FILE NO: S023648

SUMMARY

The City of Sydney and the NSW Department of Housing jointly fund a Homelessness Brokerage Program. This service is provided under contract to the City by the YWCA of Sydney. The current contract is due to expire on 30 June 2006 and a one year extension is being recommended. This extension will ensure service continuity and allow time to conduct an external evaluation of the program. Program monitoring by the City since 2002 has shown the service to be cost effective in assisting more than 1400 homeless people annually.

RECOMMENDATION

It is resolved that:

- (A) the current contract with the YWCA for provision of the Homelessness Brokerage Program be extended for one year for the period 1 July 2006 - 30 June 2007; and
- (B) authority be delegated to the Chief Executive Officer to negotiate minor changes to the contract to ensure that program outcomes can be met within the funding provided.

ATTACHMENTS

Attachment A: Brokerage Program Summary Service Description and Statistics.

BACKGROUND

1. The 'Homelessness Brokerage Program' assists homeless people and families who have low to moderate needs. It works directly with people to develop flexible packages of assistance to exit them from homelessness. They may assist with fares or short term accommodation, bond or rent or other support services that can be purchased. Compared to other homelessness services it is a relatively low-cost program, which uses minimal staffing and infrastructure to assist this target group. (See ATTACHMENT A – Brokerage Program Summary Service Statistics).
2. The YWCA of Sydney is the current provider of the jointly funded City of Sydney and NSW Department of Housing (DOH) Homelessness Brokerage Program. The contract between the City and the YWCA commenced on 1 July 2002 for 2 years, with two 1 year extensions. The final extension is due to expire on 30 June 2006.
3. Under normal circumstances, this service would have been re-tendered prior to the expiry of this contract. However the service has not been reviewed in the four years of the current contract.
4. Regular monitoring of the program has been done by the City through monthly reports and contract meetings. The City also provides a six monthly report on the program to the DOH. An external evaluation has not previously been undertaken because DOH staff have indicated they wanted to jointly evaluate the DOH Temporary Accommodation Program in conjunction with the City's Brokerage Program and this is planned for 2006-07.
5. This evaluation will inform future service design and any new tender for the service that would be publicly advertised prior to the expiry of the extended contract.
6. As a result, Council approval is sought to extend the existing contract by one year to allow the review to take place.
7. Due to increased demand and referrals to the Program, there will need to be some minor re-configuration of the service hours and staffing arrangements to ensure the service can be provided within the funding available for 2006-07.

KEY IMPLICATIONS

8. If the Brokerage Program contract with the YWCA is not extended for a further year, it is likely the City would be without such a program for some period of time. This would place greater strain on existing services and mean that the Homeless Persons Information Centre, already having difficulty making appropriate referrals for people seeking assistance, would have increased problems with referrals.
9. To re-tender the program prior to carrying out an evaluation of the service model would result in a lost opportunity to put in place service changes that may be appropriate in ensuring the program's increased effectiveness in the future.

FINANCIAL IMPLICATIONS

10. Funding for the program in 2005-06 is \$502,872. The City's contribution is \$242,872 and the DOH contributes \$260,000. Under the Deed of Agreement between the City and DOH the DOH contribution must only be expended on client expenses. The City's contribution pays for all other service related costs. If the contract is extended for a further year, existing funding arrangements and amounts would continue in line with previous years. The City is required to increase its contribution by the CPI each year.
11. There are adequate funds allocated for the Brokerage Program in the City's draft budget 2006-07. Department of Housing staff have identified the Brokerage funding commitment within their 2006-07 budget.

RELEVANT LEGISLATION

12. Local Government Act (1993) Section 55.

CRITICAL DATES / TIME FRAMES

13. The current contract expires 30 June 2006.

OPTIONS

14. There are three options:
 - (a) Council could allow the current contract to expire. This would mean the end of a jointly funded DOH and City Homelessness Brokerage program. Without this key service to assist people with low – moderate needs, significant strain would be placed on other homelessness services, including the City's other homelessness programs. This option is not recommended.
 - (b) Council could immediately re-tender the service contract. The timeframe would mean no external evaluation of the program could be done and the City would be without a Brokerage Program for at least 2 – 3 months. The current service would lose experienced staff. This option is not recommended.
 - (c) Council could extend the contract with the current provider for one year. This would ensure continuity of service and allow time to evaluate the service model prior to re-tendering the program. This option is recommended.

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