

ITEM 4. RE-TENDER - HOMELESS BROKERAGE PROGRAM

FILE NO: S060294

SUMMARY

Since 1 July 2002, The City of Sydney and Housing NSW have jointly funded a Homeless Brokerage Program. The Brokerage Program is operated by the YWCA, under contract to the City of Sydney. The original contract was for 2 years with two 1 year extensions. Council has granted extensions for a further three years, ending in June 2009. In 2008/09, the total funding for Brokerage is \$540,000, with \$280,000 contributed by the City, and \$260,000 contributed by Housing NSW.

The service must be re-tendered.

The City of Sydney also runs the Homeless Persons' Information Centre (HPIC), a state-wide information and referral service for people who are homeless or at risk of homelessness. A review of services provided by HPIC and other phone support services is currently being undertaken by the NSW government, with the outcomes being reported back to the City and NSW Government in January 2009. Housing NSW provides a contribution toward the after hours component of HPIC. This has been included with Brokerage in the "Deed of Agreement".

The 2003-04 Deed of Agreement between the City and Housing NSW outlines the parties' agreement to provide funding for the Homeless Brokerage Program and HPIC.

In October 2008 the City wrote to the Deputy Director General, Housing NSW, to seek confirmation of their ongoing commitment to funding the Brokerage Program and to confirm their intention to collaborate with the City of Sydney to retender the Brokerage Program contract in early 2009. Housing NSW responded with a written commitment to provide ongoing funding for the Brokerage Program at the current level for a period of three years (with the option of contract extension for a further two years). This letter is at Attachment A.

It was noted in that letter that Housing NSW will not make a decision about the HPIC component of funding until the evaluation of that service is completed.

Housing NSW has acknowledged the request by the City that they review the level of funding provided to each service with a view to increasing the overall amount and indexing future amounts. Housing NSW has advised that no decision about changes in the level of funding can be made until March 2009.

On 10 November 2008, City staff met with Housing NSW and in that meeting it was agreed that:

1. The Deed of Agreement will be separated into two separate contracts to cover the Brokerage Program and HPIC individually. The new Deed of Agreement or funding contract will be finalised in March 2009.
2. The Expression of Interest (EOI) for the new Brokerage Program will be distributed in January 2009 with a view to having the newly contracted service available to commence in July 2009.

3. The focus of the new Brokerage Program will remain largely the same, although the objectives of the service and the client group will be more specifically defined to focus on:
 - Rapid responses and early intervention
 - People with low to moderate needs
 - People who have recently become homeless
4. Housing NSW funds for the Brokerage Program will be able to be spread across all cost areas of the service, not limited to the specific program areas of accommodation brokerage and support services.

RECOMMENDATION

It is resolved that:

- (A) Council agree in principle to fund a new Brokerage Service, at current levels with CPI increases each year, for 3 years with a 2 year option, and to go to tender for this service; and
- (B) authority be delegated to the Chief Executive Officer to enter into an Agreement with Housing NSW to co-fund a Brokerage Service as outlined in the subject report.

ATTACHMENTS

Attachment A: Letter – Housing NSW

BACKGROUND

1. The City of Sydney and Housing NSW have jointly funded a Homeless Brokerage program since 2002. This arrangement was outlined in a Deed of Agreement which covered both the Brokerage Program and the Homeless Persons Information Centre (HPIC). Housing NSW provides a contribution toward the after hours component of the Homeless Persons Information Centre (HPIC).
2. Brokerage offers assistance to homeless people with low to moderate support needs. It can purchase accommodation or provide other assistance (eg, bus fares) to help people in the early stages of crisis before they become entrenched in a cycle of homelessness. In the financial year 2007-08 Brokerage assisted a total of 1,616 people, including 308 children.
3. The YWCA of Sydney is the current provider of the Homelessness Brokerage Program. It was agreed that the City would be the contractor on behalf of Housing NSW and the City. The contract between the City and the YWCA commenced on 1 July 2002 for 2 years with two 1 year extensions as part of the agreement. Council has approved for a further 3 years, now leaving the contract to expire in June 2009.
4. In 2006, the City, Housing NSW and the Department of Community Services (DOCS) agreed to undertake an evaluation of a range of homelessness services, including Brokerage, HPIC and the Inner City Homelessness Outreach Support Service (ICHOSS). These would be undertaken in the context of other related services such as the Youth Accommodation Helpline, the Temporary Accommodation Helpline and the Domestic Violence Helpline.
5. One purpose of the evaluations was to enable the agencies and the City to determine new service standards, and to determine levels of funding. The City will seek an increase in funding from Housing NSW for the Brokerage Program, but a final decision on funding levels will not be made by Housing NSW until March 2009. Housing NSW has agreed to provide another 3 years with an option to extend for an additional 2 years at current funding levels. A letter stating that agreement is at Attachment A.
6. Housing NSW has also agreed to establish individual Deeds of Agreement with the City for the provision of HPIC and the Brokerage Program. These Deeds will be finalised in March after the HPIC evaluation final report has been submitted to the City and NSW Government in January 2009 and after Housing NSW has completed their Business Planning process in March 2009.
7. An evaluation of the Brokerage Program was completed in October 2007. The evaluation found that the Brokerage Program was a very effective service in terms of outcomes and cost. The evaluation also found that the Brokerage Program can be seen as actively preventing homelessness through early intervention. Around 97% of clients assisted by Brokerage were provided with appropriate outcomes, including private rental accommodation, fares to travel home or support services.
8. Based on the outcomes of that evaluation and the current moves toward prevention and early intervention in the development of federal and state policy on homelessness, the City and Housing NSW will ensure that the new Brokerage Program will continue to deliver early intervention and prevention outcomes. In the new agreement, however, the objectives of the Brokerage Program and the client group will be more specifically defined to focus on:

- (a) rapid responses and early intervention;
 - (b) people with low to moderate needs; and
 - (c) people who have recently become homeless.
9. Under the current Deed of Agreement between Housing NSW and the City, Housing NSW's contribution must only be spent on direct client expenses. The City's contribution pays for all other related costs. Housing NSW has agreed that their funding can be spread across all program areas in the new contract.
10. Total funding for the Brokerage program in 2008/08 is \$540,000. The City contributes \$280,000, Housing NSW contributes \$260,000. The City has increased its contribution according to the CPI each year. Housing NSW's contribution has not increased by CPI. If the Brokerage Program is retendered, it is proposed that the City's contribution will continue to increase by CPI. Housing NSW has committed to another 3 years plus a two year option to extend, at current funding levels, and will consider the City's request for increased indexed funding in March 2009.

BUDGET IMPLICATIONS

11. The City's contribution of \$280,000 is provided in the approved 2008/09 budget and, if supported, this proposal would require a commitment for this amount to be included and escalated by CPI for the 2009/10 budget and future years' forward estimates.

RELEVANT LEGISLATION

12. *Local Government Act 1993, Local Government Regulation 2003 and City of Sydney Contract Policy and the City of Sydney Homelessness Strategy 2007-12.*

CRITICAL DATES / TIME FRAMES

13. The key timeframes are as follows:
- (a) February 2009 Dissemination of EOI to prospective tendering parties.
 - (b) April/May 2009 Preferred tender is selected.
 - (c) July 2009 New contracted service is ready to commence operations.

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