

**ITEM 17. EXEMPTION FROM TENDER - THE SALVATION ARMY OASIS  
YOUTH SUPPORT NETWORK**

**FILE NO: 116523**

**SUMMARY**

Oasis Youth Support Network (Oasis), located in Surry Hills, provides access to over 25 programs and services that offer intervention and support for homeless and disadvantaged young people between 16 and 25 years of age.

Oasis delivers the Drivin' 4 Employment, Education and Training Program (D4EET) which is partially funded under a minor services contract with the City. The D4EET program is a driver training program for young people aged 16-24 who are unemployed or disengaged and residing within the City of Sydney Local Government Area (LGA). The program has been designed to provide disadvantaged young people with the opportunity to get their provisional driver's licence, access support and achieve independence.

The program was initially established in 2001 by South Sydney City Council to assist young people to obtain their forklift/light rigid driver's licence and take advantage of employment opportunities in the manufacturing, transport and logistics sectors. In 2008, the City tendered for an external provider to deliver the program. Oasis has been the successful tenderer for the program through two competitive tender processes since that time. The City currently provides \$52,000 (excl. GST) per annum and value in kind, including two City owned dual-control vehicles with maintenance, parking, fuel cards and cost of tolls included. The current contract expired on 17 July 2015 and has been extended pending Council's consideration of this report. To date, a total of \$104,000 (excl. GST) has been provided under the contract for the period July 2013 - July 2015.

Since 2001, there has been a shift in the CBD and inner city job markets and, as a consequence, the possession of a driver's licence is no longer viewed as critical to gaining employment within the area. During this period the objectives of the program have also broadened from assisting young people gain employment to the use of driver training as a means to engage with young people experiencing disadvantage and support them into other employment and training programs delivered by Oasis.

Oasis has expressed an interest in revising the current business model for the D4EET program and has been investigating opportunities for delivering the service under a social enterprise model.

Oasis has requested an additional, final year of cash funding of \$52,000 (excl. GST) and continued value-in-kind support for 2015/16 under the same terms as the current contract. During this year, Oasis will use these funds to continue to run the program, and will also research a new business model for the service. During this additional year, Oasis will explore options to make this program sustainable without the City's financial support. This extension of the existing contract takes the full cash value of the minor services contract from 2013 - 2016 to \$156,000 (excl. GST).

This is a timely request, as the City is also currently investigating future priority areas for action in regard to meeting the needs of young people including Aboriginal and Torres Strait Islander Young people. This work is being informed by City consultations recently undertaken with young people in the LGA.

As a result of this work, as well as the Eora Journey economic development plan, other programs and partnership opportunities may be identified that deliver outcomes in the areas of employment and education that are more closely targeted to addressing the current needs and barriers experienced by young people in the City.

D4EET has been a valuable program for disadvantaged young people in the LGA for many years. City staff are supportive of this request from Oasis in order to provide continuity of delivery as the program transitions away from City funding. It will also ensure that the long term sustainability and impact of the program is secured as the City reviews its young people's programming priorities and offer in 2016.

## **RECOMMENDATION**

It is resolved that Council:

- (A) grant exemption from tender, under the extenuating circumstances provisions of section 55(3)(i) of the Local Government Act 1993, for the extension of the current Minor Services Agreement with Oasis Youth Support Network from July 2015 until July 2016. This will comprise of:
  - (i) a final year of cash funding of \$52,000 (excl. GST) in 2015-16, bringing the total value of the contract to \$156,000 (excl. GST); and
  - (ii) value-in-kind support to the program under the contract up to the value of \$49,400 per annum, which includes access to two City of Sydney dual-control vehicles along with maintenance, parking, fuel cards and toll costs; and
- (B) note that the reason for seeking an exemption from tender is that, due to extenuating circumstances, a satisfactory result would not be achieved by inviting tenders as:
  - (i) Oasis has been running the D4EET program for the last seven years and has the infrastructure in place to continue doing so. This includes the recruitment of volunteers and a waiting list of young people to complete the program; and
  - (ii) the City intends to cease funding this program at the end of this year in line with new programming directions and Oasis' desire to transition the program to a more sustainable business model. It is therefore not feasible to tender the program for only one year at this stage.

## **ATTACHMENTS**

Nil.

**BACKGROUND**

1. Oasis Youth Support Network (Oasis), located in Surry Hills, runs D4EET - a driver training program for young people aged 16-24 years, who are unemployed or disengaged and reside within the City of Sydney LGA.
2. The program was initially established within the South Sydney City Council to assist young people to gain employment in jobs in the local area that required a driver's licence. The program has been designed to provide disadvantaged young people with the opportunity to get their provisional driver's licence, access support and achieve independence.
3. Since 2008, the City has funded D4EET through two competitive tender processes.
4. Oasis was successful in both tender processes and is responsible for managing the program, recruiting and training volunteers, providing insurance for the vehicles and all other program costs such as assisting with license and test fees costs for participants.
5. The program has had continued growth in participation since its commencement and has made a positive contribution to all young people who have participated in the program, most of whom are at risk of homelessness.
6. The program not only assists young people to obtain their Learner's and Provisional licenses, it also offers additional opportunities and pathways into training, education and employment and assist young people to reach their goals and full potential.
7. Under the current agreement, 49 young people have participated in the program. The City's total program investment (including both cash and in-kind) equates to \$4,139 in funding per young person engaged in the program. Of the 49 young people, 41 achieved their provisional license. One-hundred per cent of participants reported feeling more engaged and connected to community, as well as an increase in their self-confidence, as a result of participating in the program.
8. The research and consultations currently being undertaken by the City, in collaboration with young people, for the development of the Social Sustainability Strategy, will assist the City in identifying programs that support positive employment outcomes for young people. Until then, it is important that the City support Oasis to explore the viability of making this program sustainable so that the program can continue to achieve positive outcomes for young people.
9. Over the years, it has become apparent that, while the D4EET program has a number of successful outcomes for at risk young people, it is difficult to determine a direct link between the program and increased employment.
10. It should be noted that there are currently two other programs running in the City and nearby areas that primarily aim to address the financial and social barriers to obtaining a driver's licence, particularly for disadvantaged young people. While the other two programs exist, they are not as inclusive or comprehensive as the D4EET model and so do not duplicate service delivery, but do offer a backup if the D4EET program were to cease to exist. These are:
  - (a) ***Driving Change: Licencing Support Program*** is a program that is a community driven program assisting young Aboriginal people to navigate through the licensing system and attain their driving license; and

- (b) **keys2drive** is an Australian Government funded program designed specifically to help new drivers avoid harm in their first six months on P's. The program offers one free lesson to anyone on their L's, together with their parent/supervisor. Only learner drivers are currently eligible to apply.
11. City staff have worked closely with representatives of Oasis to design a number of planned Key Performance Indicators and outcomes for the final year of this contract which align with the objectives of the Social Programs and Services business plan. The program also integrates with the City of Sydney Young Driver's Education Program as outlined in the City's Road Safety Action Plan.
12. City staff have also worked closely with Oasis to explore the potential of the D4EET Program becoming financially sustainable. Oasis has formed a working group to explore options for sustainability. This final year of funding has been requested to allow Oasis to establish relevant partnerships and build a stable social enterprise model which would be based on adding a fee for service component to the program.
13. City staff will continue to work with Oasis over the next year to support the direction that Oasis chooses to take with the program.

## **KEY IMPLICATIONS**

### **Strategic Alignment - Sustainable Sydney 2030 Vision**

14. *Sustainable Sydney 2030* is a vision for the sustainable development of the City to 2030 and beyond. It includes 10 strategic directions to guide the future of the City, as well as 10 targets against which to measure progress. This grant is aligned with the following SS2030 strategic directions and objectives:
- (a) Direction 6 - Vibrant Local Communities and Economies – the D4EET program engages a range of young people from diverse backgrounds many of whom are at risk of homelessness. The program also relies on a number of volunteers increasing the community involvement in the program.

### **Social / Cultural / Community**

15. Oasis has a very strong relationship with the City of Sydney community. The organisation works closely with the City, the police and other service providers in the area. Representatives of Oasis currently sit on the executive of the City of Sydney Youth Interagency and are active members of the network.

## **BUDGET IMPLICATIONS**

16. Funding of \$52,000 (excl. GST) is provided within the approved 2015/16 Social Policy and Programs budget. The vehicles and associated value-in-kind costs are provided in the approved 2015/16 Fleet Services budget.

## **RELEVANT LEGISLATION**

17. Section 55 of the Local Government Act 1993.

**CRITICAL DATES / TIME FRAMES**

18. The current funding that the City provides Oasis expired on 17 July 2015. Without extending the minor services contract, the D4EET program will be unable to continue.

**ANN HOBAN**  
Director City Life

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