

## Community Services Grant - Funding to Address Homelessness in the Inner City

File No: S116523

### Summary

The City of Sydney's 25th bi-annual street count on 23 February 2021 counted 272 people sleeping rough across the local area, and 288 people occupying crisis and temporary accommodation beds. The number of people sleeping rough in the city has been slowly decreasing since 2017, in part as a result of an increase in outreach services, including those funded through the City to Specialist Homelessness Services via the NSW Department of Communities and Justice (the Department).

While primary responsibility for homelessness rests with the NSW Government, the City has responded to homelessness for over 35 years, linking people sleeping rough with services, managing the impacts of rough sleeping in the public domain, and providing sector leadership and coordination. The City works in partnership with NSW Government agencies and Specialist Homelessness Services to provide collaborative outreach to people sleeping rough. In the last financial year, more than 180 people were supported to exit homelessness.

Over the past four years, the City has contributed a total of \$4.7 million in funding to the Department to deliver Specialist Homelessness Services in the inner city, including:

- \$700,000 per annum to fund assertive outreach and post crisis support services delivered by Neami National Way2Home;
- \$300,000 per annum to provide service coordination and brokerage for young people delivered by Launchpad Youth Community Incorporated, and;
- \$200,000 per annum to fund culturally specific Outreach Services provided by Innari Housing and the Aboriginal Corporation for Homelessness and Rehabilitation Community Service.

The current funding agreement for these services ends on 30 June 2021. The services delivered by Neami National Way2Home, Launchpad Youth Community Incorporated, and Innari Incorporated have delivered positive outcomes. The Aboriginal Corporation for Homelessness and Rehabilitation Community Service has been working with the City and the Department to improve performance and outcomes.

The Department agrees that the City directly fund these services for a further three years. Directly contracting the services will enable the City to play a pivotal role in setting service specifications, developing performance measures and actively monitoring the performance of services. It will also enable the City and services to adapt to meet changing trends in homelessness, while ensuring that services are in line with the City's priorities.

The City undertook a thorough consultation with all services currently funded by the City through the Department in relation to the current funding model and future service delivery and outcomes. All were in support of direct contracting with the City.

## Recommendation

It is resolved that:

- (A) Council approve four grants to Specialist Homelessness Services totalling \$3.6 million (excluding GST) for the delivery of specialist homelessness services in the inner city during the 2021/22, 2022/23 and 2023/24 financial years. Breakdown of funding is as follows:
  - (i) \$700,000 per annum for three years for services delivered by Neami National Way2home;
  - (ii) \$300,000 per annum for three years for services delivered by Launchpad Youth Community Incorporated;
  - (iii) \$100,000 per annum for three years for services delivered by Innari Incorporated; and
  - (iv) \$100,000 per annum for three years for services delivered by Aboriginal Corporation for Homelessness and Rehabilitation Community Services;
- (B) Council note that services are provided with three years of grant funding, composed of one one-year grant plus one two-year option, allowing for performance evaluations and sector needs analysis after the initial year;
- (C) Council approve that a Consumer Price Index (CPI) increase be included in grant funding in 2022/23 and 2023/24, subject to budget approval, and;
- (D) authority be delegated to the Chief Executive Officer to negotiate, execute and administer an agreement with each grant recipient listed in clause (A) on the terms outlined in clauses (A), (B) and (C) above.

## Attachments

**Attachment A.** Letter of Support from the Department of Communities and Justice

## Background

1. The City of Sydney's 24th bi-annual street count on 23 February 2021 counted 272 people sleeping rough across the local government area and 288 people occupying crisis and temporary accommodation beds. The number of people sleeping rough in the city has been slowly decreasing since 2017, in part as a result of an increase in outreach services funded through the 2017-2021 Community Services Grant from the City to the NSW Department of Communities and Justice (the Department).
2. The City's Homelessness Action Plan outlines the City's ongoing role in responding to homelessness and rough sleeping in the city and recognises that the factors that contribute to homelessness are complex and no single organisation can address homelessness alone.
3. The City of Sydney has had a strong commitment to responding to homelessness for over 35 years and works in partnership with NSW Government agencies and specialist homelessness services to respond to homelessness in the inner city. This includes providing collaborative outreach support to people sleeping rough. The Homelessness Assertive Outreach Response Team (HART) coordinated by the City, together with the Department, has housed 245 people in permanent accommodation since March 2017.
4. Between 2017 and 2021, the City funded the delivery of specialist homelessness services in the inner city as follows:
  - (a) \$700,000 per annum to fund assertive outreach and post crisis support services delivered by Neami National Way2Home;
  - (b) \$300,000 per annum for a youth-specific services, comprising brokerage funds administered by Launchpad Youth Community Incorporated in partnership with 19 other services and the provision of a youth specific assertive outreach worker;
  - (c) \$100,000 per annum to provide culturally specific assertive outreach in the inner city delivered by the Aboriginal Corporation for Homelessness and Rehabilitation Community Services, and;
  - (d) \$100,000 per annum to provide culturally specific assertive outreach in the inner city delivered by Innari Incorporated.
5. For the 2020/21 financial year, \$1.2 million funding was provided to the Department to fund the services noted above. The current one-year funding agreement with the Department ends on 30 June 2021.
6. The one-year agreement for 2020/21 brought the City's funding into line with that of the Department for other services they directly fund, whilst they conducted a review of their funding arrangements. The Department are yet to announce the results of that review, and arrangements for services they fund post June 2021.
7. In consultation with the City, the Department has agreed that the City should directly fund these services for a further three years (one-year plus a two-year grant), in order to increase flexibility, governance and accountability.
8. For all services, a thorough evaluation and sector review of performance against criteria is to be completed by City staff in June 2022 before the release of the last two years of funding.

9. Following the proposed grant period, all specialist homelessness services will be invited to apply for grant funding through the Community Grants Program.
10. Directly contracting homelessness services currently funded through the Department will enable the City to play a pivotal role in setting service specifications, developing performance measures and actively monitoring service outcomes. It will also enable the City and services to adapt to meet changing trends in homelessness, while ensuring that services are in line with the City's priorities.
11. It is considered that Innari Incorporated, Aboriginal Corporation for Homelessness and Rehabilitation Services, Launchpad Youth Community Incorporated and Neami National Way2home remain the services best equipped to continue to deliver these specialised programs.
12. The proposed mix of funding for specialist homelessness services has been informed by evidence of trends in homelessness, including over-representation of Aboriginal and Torres Strait Islander people amongst the rough sleeping population, 'on the ground' observations, and assessment of where investment by the City could deliver the greatest impact in reducing and/or breaking the cycle of homelessness.
13. An assessment of grant applications by services was completed under the Community Services Grant program criteria. The applications were assessed by Manager Homelessness, Manager Social Policy and Programs, Policy and Strategy Advisor, and the assessment meeting was chaired by the Manager Social Programs and Services.
14. The City undertook a thorough consultation with all services currently funded by the City through the Department. All were in support of direct contracting with the City.
15. The Department continues to directly fund specialist homelessness services. The City will continue to collaborate with the Department regarding ongoing funding and performance of all services.

### **Assertive outreach**

16. The first service the City will support through the funding proposed is the assertive outreach service provided by Neami National Way2Home.
17. The current funding agreement sees the City contribute \$600,000 per annum to Neami National Way2Home through the Department. Funding focuses on:
  - (a) engaging clients with complex needs who are sleeping rough, where outreach workers directly engage with clients on the streets offering assistance and case management;
  - (b) working in partnership with health services, general practitioners and other services to address the needs of the chronically homeless, and;
  - (c) ensuring a Housing First approach, which focuses on helping clients access and sustain long-term supported housing solutions.

18. Over the four-year funding period to June 2021, Neami National Way2Home has met its funding requirements and delivered positive outcomes. Between 2017 and 2021 the service supported 232 adults sleeping rough to access stable housing with ongoing support.
19. Neami National Way2Home also receives \$100,000 per annum to enhance post-crisis support for people housed. Neami National Way2Home has used this funding to investigate referral pathways for smooth transitions to housing and for additional frontline post-crisis support for clients with complex health needs.
20. One of the key features of the service offered by Neami National Way2Home is the provision of both outreach services and post-crisis support. Support for assertive outreach is directly aligned with the City's priorities in responding to homelessness and assisting people who are sleeping rough to exit homelessness. Continuing to provide funding to Neami National Way2Home will enable the service to maintain the level of assertive outreach delivered over the past three years in the inner city.
21. It is proposed that for the period 2020/21-2023/24, the City directly provide \$700,000 per annum to Neami National Way2Home, comprising \$600,000 to enable the organisation to maintain assertive outreach services and \$100,000 to enhance post-crisis support services.

### **Preventing young people from becoming homeless**

22. The second service the City will support is a service to prevent youth homelessness, as part of the Inner-City Homelessness Prevention and Support Service for Young People through Launchpad Youth Community Incorporated.
23. Young people who first experience homelessness before the age of 18 are more likely to experience persistent homelessness in adulthood. Pathways into homelessness for young people may include family breakdown and being in foster care. Being able to prevent young people from becoming homeless in the first place, or stopping them from becoming entrenched in homelessness, helps give them the best chance in life.
24. Brokerage is funding for services to prevent young people from becoming homeless including bond, housing establishment such as furniture, emergency transport, accommodation, medical support, mental health support, reconnection with family members and education.
25. Currently, the City provides \$300,000 per annum through the Department for case coordination and brokerage to provide flexible support to prevent young people with complex needs from becoming homeless or entrenched in homelessness. Launchpad Youth Community Incorporated administers these funds.
26. The service has met its funding requirements and exceeded expectations in the delivery of outcomes for young people. Since 2017, the service prevented 531 young people from becoming homeless, and supported 396 young people who were homeless to access safe and stable housing.
27. It is proposed that the City directly provide funding of \$300,000 to Launchpad Youth Community Incorporated to maintain and enhance service coordination and brokerage for young people and the provision of a youth specific assertive outreach worker.

**Aboriginal outreach services**

28. The third and fourth services the City will support is Aboriginal outreach services, through the Aboriginal Corporation for Homelessness and Rehabilitation Community Service and Innari Incorporated.
29. Approximately 15 per cent of people sleeping rough in inner Sydney surveyed during the 2019 Connections Week Survey identify as being Aboriginal or Torres Strait Islander. This is despite Aboriginal and Torres Strait Islander people comprising only one per cent of the City of Sydney residential population.
30. Both the Aboriginal Corporation for Homelessness and Rehabilitation Community Service and Innari Incorporated have provided outreach services to Aboriginal and Torres Strait Islander people since 2017.
31. Innari Incorporated has met their funding requirements.
32. The Aboriginal Corporation for Homelessness and Rehabilitation Community Service has been working with the City and the Department to improve performance and outcomes. The City is confident that a direct funding model will ensure improved governance and relationship management to improve performance and outcomes.
33. Since 2017 these services have assisted 50 people into permanent accommodation.
34. It is proposed that the City directly provides funding of \$200,000, comprising \$100,000 to the Aboriginal Corporation for Homelessness and Rehabilitation Community Service and \$100,000 to Innari Incorporated for the delivery of Aboriginal-specific outreach services.

**Grant management and acquittal**

35. The City's Homelessness Unit will manage all grants directly with recipients on an ongoing basis and will set Key Performance Criteria with recipients.
36. The City's Indigenous Leadership and Engagement team will assist with the grant management of Aboriginal-run assertive outreach services.
37. City staff will meet with funded services on a monthly or quarterly basis, depending on need, to discuss the progress recipients are making against Key Performance Criteria.
38. Performance of services will be closely monitored by the City, and support provided where necessary or requested. Any performance issues will be raised and discussed in meetings with grant recipients as required.
39. Reports outlining acquittal of funds, and progress against Key Performance Indicators will be provided to the City by the services at the end of each reporting period. As the reporting period for the current grant has not yet ended, acquittals have not been completed.
40. There will be an opportunity to revisit Key Performance Indicators and evaluate service delivery after one year of funding. This allows the City to assess each service's performance before releasing funds for the remainder of the contract. Any failure to meet funding requirements may result in organisations being rated as B or C in the annual performance review process, and appropriate action taken.

41. New grant agreements between the City and services listed above will need to be developed. City staff will be responsible for contract management for each of the organisations funded via the agreement
42. It is recommended that authority be delegated to the Chief Executive Officer to approve the evaluation and continuation of funding prior to the two-year option being exercised.

## Key Implications

### Strategic Alignment - Sustainable Sydney 2030

43. 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. These grants are aligned with the following strategic directions and objectives:
  - (a) Direction 8 - Housing for a Diverse Population Direction 8 - the grant funding provided to NSW Department of Communities and Justice will support better outcomes for people who are homeless or at risk of homelessness, including access to long term housing and support.

### Risks

44. The City's current funding makes up half of Neami National Way2home's total operating budget, the balance of which is funded by the Department. Should the Department decide to change their funding distribution Neami Way2Home's service delivery may be impacted. Impacts could include a decrease in the number of patrols provided, clients supported and housing outcomes.
45. Services may not meet the City's revised performance criteria or may not perform to the City's standards. All efforts will be made to ensure high levels of performance through stringent governance processes, effective relationship management and the annual assessment process. Failure to meet standards may mean that a service may not receive the additional two-year funding option.

### Social / Cultural / Community

46. The proposed mix of funding for specialist homelessness services has been informed by evidence of trends in homelessness, including over-representation of Aboriginal and Torres Strait Islander people amongst the rough sleeping population, 'on the ground' observations, and assessment of where investment by the City could deliver the greatest impact in reducing and/or breaking the cycle of homelessness.

### Economic

47. The reduction of street homelessness carries positive economic impacts across the inner city through the reduction of resources directed toward areas such as security; waste and cleansing; policing; and repeated provision of expensive health, corrective services and other welfare services.

### **Financial Implications**

48. Provision for the allocation of funding for homelessness services, has been included in the draft 2021/22 operating budget and future year forward estimates, which is subject to Council approval.

### **Relevant Legislation**

49. Section 356 of the Local Government Act 1993 (NSW).
50. All four grant recipients are not-for-profit providers.

### **Critical Dates / Time Frames**

51. The current grant provided to the NSW Department of Communities and Justice expires on 30 June 2021. To allow City staff adequate time to execute and administer agreements with the services, a decision by Council is required no later than May 2021.

### **EMMA RIGNEY**

Director City Life

Katie Phillips, Homelessness Project Coordinator