

**Queensland Department of Housing
and Department of Communities**

**Review of Program
Management Arrangements
for the Supported
Accommodation Assistance
Program and the Crisis
Accommodation Program
Final Report**

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This report contains 46 pages

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Contents

1	Introduction	2
1.1	Context of the review	2
1.2	The review objectives	6
1.3	The review approach	6
1.4	Purpose of this report	8
1.5	Structure of this report	8
2	Background	10
2.1	Current program administration arrangements	10
2.2	Current intersections between the two programs	10
3	Review findings	12
3.1	Strengths of current program management arrangements	12
3.2	Areas for improvement	13
4	Improving SAAP and CAP program management	18
4.1	Underpinning principles	18
4.2	Elements of program management	18
4.3	Strategies for improvement	19
4.4	Implementation considerations	32
5	Recommendations	33
5.1	Key recommendations	33
5.2	A program approach to homelessness	35
5.3	Key priorities going forward	38
5.4	Next steps	38
A	Program management elements	39
B	Program management arrangements in other jurisdictions	43

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1 Introduction

This report presents the findings and recommendations of the review of current program management arrangements for the Supported Accommodation Assistance Program (SAAP) and the Crisis Accommodation Program (CAP) in Queensland.

The review was undertaken in the context of a number of national policy developments, including:

- the proposed National Affordable Housing Agreement, including SAAP and CAP due to be introduced 1st January 2009¹; and
- changes to Commonwealth – State financing.

The review was undertaken on behalf of the Department of Communities (DoC) and the Department of Housing (DoH).

1.1 Context of the review

The need for a review of current program management arrangements was identified through recent reviews that recommended improving program management arrangements to deliver a more integrated, coordinated service for clients:

- a Service Delivery and Performance Management Review of the Department of Housing (September 2007) which identified the need for improvements to effectively manage the two programs across the two government agencies²; and
- the mid-term review of Responding to Homelessness (September 2007) which recommended strengthening the policy coordination components of the Response and addressing confusion regarding the relative roles of the administering agencies³.

The objective of this review is to identify and recommend improvements to the program management of SAAP and CAP to support a more responsive, coherent, strategic and cost effective response to the changing demography and context of homelessness in Queensland. This review does not assess the performance of the individual departments responsible for the administration of SAAP or CAP nor does it assess the effectiveness of direct service provision in achieving positive outcomes for clients.

¹ Based on information received from the Department of Families, Housing, Community Services and Indigenous Affairs (FaHCSIA) 23rd April 2008.

² Service Delivery and Performance Commission (2007) *Report on the Service Delivery and Performance Management Review of the Department of Housing* Brisbane: Queensland Government pp 6, 21. Sourced from http://www.thepremier.qld.gov.au/sdpc/reviews/review_housing.shtm on 5th March 2008

³ Seelig, T., Phillips, R., Thompson, A. (2007) 'Mid Term Review of The Queensland Government's Response to Homelessness: Final Report'. Canberra: Housing Policy Research Program, UQ Social Research Centre, The University of Queensland. Not yet published. pp 37, 53.

1.1.1 SAAP and CAP as responses to homelessness

In 2000, the Australian Government released the National Homelessness Strategy as a framework for developing responses to prevent and reduce homelessness. The SAAP and CAP programs provide the primary service responses to homelessness.

'*Responding to Homelessness*⁴' is the Queensland Homelessness Strategy for 2005-09. It outlines a whole of government response to address the health, accommodation and safety issues faced by people who are homeless or at risk of homelessness⁵. The strategy is being implemented by five State Government agencies and is led by DoH. Under the Strategy, an additional \$235.52 million over four years is being invested into services across Queensland that respond to homelessness. As part of this, \$56.5 million has been committed to SAAP, targeting services to some of the most vulnerable people in Queensland.

Established in 1985, SAAP is Australia's primary response to homelessness. SAAP aims to assist people who are homeless or at risk of becoming homeless to "*achieve the maximum possible degree of self-reliance and independence by providing transitional supported accommodation and a range of related support services*"⁶.

Administered under five-year multi-lateral and bi-lateral Agreements with the Australian Government, SAAP provides recurrent funding for salaries and operating costs for programs that are associated with the provision of accommodation and support for people who are experiencing homelessness or are at risk of homelessness. In Queensland, the Agreements are administered by DoC.

Clients seeking SAAP services may require accommodation and support or may only require support to prevent them from becoming homeless. Many clients will require a range of responses to address a number of issues that lead or contribute to homelessness. This can include support for primary care and mental health concerns, drug and alcohol misuse, intellectual disability, involvement in the criminal justice system, involvement with child protection, unemployment and low educational attainment or domestic violence issues.

The Queensland SAAP 2006-07 budget was \$63.5 million for a total of 214 funded agencies. Thirty-three per cent of funding is targeted at services providing support to young people, and 28.1 per cent is for women and children escaping domestic violence. The most recent National Data Collection Agency (NDCA) figures (2005/06) show that, during that year, there were a total of 17,400 SAAP clients in Queensland. During 2005-06, the median length of support per client was nine days (the mean length of support per client was 43 days). During the same period, the median number

⁴ Queensland Government (2005) *Responding to Homelessness*, Brisbane: Queensland Government (The Blue Book) Taken from <http://www.housing.qld.gov.au/about/pdf/homelessness.pdf> on 7th March 2008

⁵ The strategy also includes a commitment to providing support to people who are intoxicated and at risk of harm in public places, to promote their safety.

⁶ Taken from:
http://www.facsia.gov.au/internet/facsinternet.nsf/aboutfacs/programs/house-saap_nav.htm on 7th December 2007

of days in accommodation during a support period was 10 days (the mean was 36 days)⁷.

CAP was first introduced under the Commonwealth State Housing Agreement (CSHA) in 1985. The current CSHA is a five year agreement from 2003 to 2008. The aim of the CSHA is to provide appropriate, affordable and secure housing assistance for those who need it most, for the duration of their need⁸. In Queensland, DoH has responsibility for CAP under the 2003-2008 multi-lateral and bi-lateral Agreements with the Australian Government.

Under the CSHA, CAP provides funding for the purchase, construction, upgrade and lease of accommodation for people who are homeless, at risk of homelessness, in crisis or in need of transitional support as they move towards independent living. Generally, under current practice, CAP funding will be allocated where evidence exists that the organisation has the capacity to manage additional clients under current funding levels. Thus, the program primarily provides capital funding and grants to complement the recurrent funding for salaries and operating costs provided by SAAP.

Queensland CAP capital works expenditure in 2006-07 was \$20.7 million⁹. A further \$2.8 million was provided in grants to non government organisations for construction, acquisition and leasing of properties to provide accommodation for homeless people. At 30 June 2007, there were 1,181 CAP properties in Queensland. It is estimated that 9,205 households were assisted by CAP in 2006-07¹⁰.

The primary relationship that clients have with SAAP providers is case management. For CAP programs, the primary relationship between CAP providers and clients is tenancy management. An estimated 87 per cent of SAAP services in Queensland also manage CAP funded properties¹¹.

1.1.2 Homelessness and housing affordability

Housing is a large and essential expenditure for most families¹², and common factors contributing to homelessness include rising house prices and rents. Rising private sector house prices mean fewer people can afford to purchase their own home. This can lead to increased demand for rental stock, placing upward pressure on rental

⁷ Australian Institute of Health and Welfare (2006) *SAAP NDCA Report Series 11; Homeless People in SAAP, NDCA SAAP Annual Report 2005-06, Queensland supplementary tables* Canberra: AIHW Tables 6.1 and 6.2 Taken from <http://www.aihw.gov.au/publications/hou/saapndcar05-06qld/saapndcar05-06qld.pdf> on 7th March 2008.

⁸ AIHW (2006) *Crisis Accommodation Program 2005-06: Commonwealth State Housing Agreement national data reports* Canberra: AIHW

⁹ This is broken down into categories of use: construction (\$3.9 million), spot purchasing (\$10.7 million), land development (\$4.6 million), upgrades (\$1.5 million).. Source: administrative data from Department of Housing, 2008.

¹⁰ AIHW (2008) *Crisis Accommodation Program 2006-07: Commonwealth State Housing Agreement national data reports* Canberra: AIHW.

¹¹ Source: administrative data from Department of Housing and Department of Communities, 2007.

¹² Sourced from

<http://www.abs.gov.au/ausstats/abs@.nsf/ProductsbyReleaseDate/BEAB19E753B6F045CA25712D00110ED5?OpenDocument> on Monday 28th April 2008

prices and making it more difficult for social housing tenants to transition into the private sector market. It also means that more people in the private market, either as renters or owners, face difficulties in meeting rent or mortgage payments, placing additional pressure on social housing accommodation and support services.

Housing affordability has gradually deteriorated since 1998, both in the rental and purchasing market. Median house prices in 2006 are over five times greater than the average per capita income, compared to three times in the mid 1980s¹³. In 1975-76, housing costs represented 11.4 per cent of the average gross income. This has since grown to 15.1 per cent in 2003-04¹⁴.

Nationally, many SAAP services report seeing increasing numbers of people in housing stress due to a decrease in housing affordability¹⁵. These clients presenting to services are reported to be in addition to those experiencing homelessness due to their own complex needs. In light of this, future developments in the SAAP, CAP and housing sectors need to be cognisant of developments in the area of housing affordability.

1.1.3 Australian Government directions

The Australian Government has indicated that SAAP will form part of the National Affordable Housing Agreement to be introduced in January 2009. This will see the collapsing of the traditional funding structures for SAAP and CAP by the Australian Government. The Australian Government has indicated a preference for single program management responsibility for SAAP and CAP by the States and Territories, but has not indicated any preference for which agencies take line responsibility, seeing this as a jurisdictional decision.

The Australian Government has indicated that it will establish program objectives and outcomes by July 2008 for all programs that will form part of the National Housing Affordability Agreement. In addition, a new Specific Purpose Payment structure will be established by January 2009.

In light of the changing context between the Australian Government and State Governments, it is critical that any proposed changes to future program management arrangements are sufficiently flexible to accommodate these emerging national directions.

¹³ Powall, M. & Withers, G. *Information Paper on Housing Affordability* (2006) Sourced from <http://www.pacificlink.org.au/investors/pdf/Affordable%20housing%20-%20Information%20Paper%20on%20Housing%20Affordability.pdf> on Monday 28th April 2008

¹⁴ Data from the Household Expenditure Surveys, cited in Gates & Gabriel (2006) *National Research Venture 3: Housing affordability for lower income Australians*, p 43, Sydney: Australian Housing and Urban Research Institute

¹⁵ Communication with various SAAP providers.

1.2 The review objectives

The review considered how changes to program management arrangements can improve outcomes in four priority areas. These are:

- improved outcomes for clients;
- improved program efficiency and effectiveness;
- improved program coordination and integration; and
- optimised delivery of government objectives.

1.3 The review approach

The review explored current program management arrangements to identify opportunities to improve outcomes for clients, service providers and Government, against the objectives identified in section 1.2. It recommends strategies for improvement and subsequent considerations for implementing these improvements.

The review further considered what administrative arrangements would be most effective in bringing about the improvements.

The findings and recommendations were informed by:

- analysis and interpretation of documentation and previous reviews relating to SAAP and CAP program management;
- consultations with key central DoH and DoC stakeholders;
- consultations with key regional stakeholders from SAAP, CAP and other relevant service providers and peak bodies;
- development of a discussion paper, outlining current arrangements and identifying areas for improvements (see section 1.3.1);
- consultations with other jurisdictions to explore how these programs are administered; and
- submitted responses to the discussion paper.

1.3.1 Discussion paper

As part of the review, a *Discussion Paper*¹⁶ was developed based on information provided during initial consultations with departmental stakeholders, peak bodies and a number of SAAP service providers. The *Discussion Paper* set the context for the review and explored identified strengths and areas of opportunity to improve program management arrangements for the two programs.

The *Discussion Paper* was available to stakeholders and written responses were sought on issues presented in the paper over a four week time period. Eighteen responses were received from over 30 organisations, responding either individually or as part of a network of service providers. A list of these organisations is included in the *Consultation Summary Report*¹⁷.

1.3.2 Regional Stakeholder Forums

Consultations with regional SAAP and CAP providers and other stakeholders were conducted between 17th March and 20th March 2008 at forums held in:

- Cairns
- Townsville
- Rockhampton
- Brisbane
- Ipswich
- Caboolture
- Gold Coast
- Remote and rural communities (by teleconference).

Guided by the issues identified in the *Discussion Paper*, forum participants were asked to identify strengths and weaknesses along with opportunities for improvements relating to current program management arrangements. Most importantly, participants were asked to consider what would be different for service providers and for clients for each suggested improvement.

¹⁶ Queensland Government 2008, 'Support Accommodation Assistance Program (SAAP) and Crisis Accommodation Program (CAP) Program Management Arrangements Discussion Paper, report for Department of Housing and Department of Communities', Queensland

¹⁷ Queensland Government 2008 'Consultation Summary Report', report for Department of Housing and Department of Communities, Queensland

A *Consultation Summary Report*¹⁸ was produced which summarised the key findings and discussions from all forums and submitted responses. The *Consultation Summary Report* was made available to stakeholders. Other issues raised at the forums that related to SAAP and CAP which did not directly relate to program management arrangements were summarised in a separate report¹⁹ made available to both DoH and DoC.

1.4 Purpose of this report

This is the final report of the review of program management arrangements for SAAP and CAP. The purpose of this report is to:

- summarise the current program management arrangements;
- provide a broad overview of the current strengths and the areas of program management that require improvement²⁰;
- establish the principles to underpin the proposed changes to program management arrangements;
- identify strategies to improve program management to deliver better outcomes for government, service providers and clients;
- identify initial implementation considerations in response to the improvement strategies;
- consider administrative arrangements for the two programs; and
- make recommendations to achieve improvements.

1.5 Structure of this report

This report is structured as follows:

- **Section 2:** Provides an overview of current program management arrangements and details the intersections between the two programs.
- **Section 3:** Summates the review findings including current strengths and areas for improvement.
- **Section 4:** Recommends strategies for strengthening program management arrangements.

¹⁸ Queensland Government 2008 *ibid*

¹⁹ Queensland Government 2008 'Other issues summary report', prepared for Department of Housing and Department of Communities, Queensland

²⁰ The Discussions Paper and Consultation Summary Report provide more detailed discussions about current arrangements and opportunities for improvement.

- **Section 5:** Makes recommendations in response to the review regarding future program management arrangements for SAAP and CAP.
- **Appendix A:** Describes the key elements of program management.
- **Appendix B:** Describes administrative arrangements of SAAP and CAP programs in other Australian jurisdictions.

2 Background

This section briefly describes the current SAAP and CAP program administration arrangements and identifies the formal intersections between DoH and DoC.

2.1 Current program administration arrangements

Within DoC, responsibilities for SAAP are shared between Central and Regional Offices. Program management of CAP sits centrally with DoH.

Centrally, both Departments have responsibility for:

- negotiating the multi and bilateral agreements with the Australian Government;
- strategy and policy development;
- sector development;
- implementing, evaluating and reviewing initiatives under respective programs;
- implementing regional needs analysis and planning processes; and
- administering funding, determining allocations and preparing financial statements to the Australian Government.

For SAAP, DoC Regional Offices are responsible for:

- supporting the implementation of funding rounds;
- negotiating and monitoring service agreements relating to funded services; and
- working with services to resolve issues relating to service operations.

Within DoH, these program management functions are administered centrally.

2.2 Current intersections between the two programs

There are a number of areas where DoC and DoH interact with regard to the management and delivery of the SAAP and CAP²¹.

An interim Memorandum of Understanding (MOU) exists between DoC and DoH. The MOU outlines the Departmental roles and responsibilities for SAAP and CAP, as well as the interface between the two programs. In addition, DoC has a number of MOUs

²¹ A number of these mechanisms were established specifically to respond to the *Responding to Homelessness Strategy*.

with other government departments that articulate roles and responsibilities in responding to SAAP clients who are also clients of other services, such as the Department of Child Safety.

The Joint Officers' Group is the main structure through which the two Departments coordinate SAAP and CAP. This group consists of representatives from both Departments and has responsibility to oversee the joint strategic and operational program planning for SAAP. In addition, there are a number of regional and local planning structures and networks which provide varying levels of coordination between SAAP and CAP. Two primary regional structures at an operational level are the Regional Community Housing Councils and the Regional Manager Coordination Networks.

3 Review findings

This section summarises the strengths and areas for improvement in the current program management arrangements. The complete findings of the consultations are detailed in the *Discussion Paper*²² and *Consultation Summary Report*²³. The findings are informed by:

- an understanding of the programs' strategic priorities and objectives;
- consultation findings;
- responses to the *Discussion Paper*; and
- acknowledgement of national priorities that are driving wider changes in the homelessness and housing sectors.

Stakeholders from the SAAP and CAP sector and from DoH and DoC were consulted regarding their views on the current program management arrangements, the impact these have on service providers and clients and the opportunities for improvements. Stakeholders also submitted written responses to the *Discussion Paper*. The findings from the consultations and responses are summarised in the following sections.

3.1 Strengths of current program management arrangements

A number of strengths were identified with the current arrangements. It is important to ensure that changes to the arrangements are able to build on these strengths in the future. These were:

- **Core business expertise:** Each Department has considerable and clearly distinct expertise in their 'core business'. DoH has strong expertise in sustaining tenancies for vulnerable households, managing capital purchasing programs and managing stock and infrastructure. DoC has strong expertise in managing support programs and supporting and building capacity in Non-Government Organisations (NGOs). Both of these skills are fundamental to the effective management of programs that respond to homelessness. Stakeholders identified the separation of responsibility for support and tenancy management as a strength in the current arrangements.
- **Linked programs enable a broad response:** The current matching of support for people who are homeless with infrastructure, in the form of housing and maintenance, is important. It enables people experiencing homelessness to receive both accommodation and support to assist them to address their needs and move into long term, stable accommodation where they can maintain a tenancy. This support is provided by a range of community based programs.

²² Queensland Government (2008) op.cit.

²³ Queensland Government 2008 op. cit.

- **Good regional relationships:** In a number of regions, there are effective working relationships between service providers and both or either of the Departments. This is particularly the case where there is stability in departmental staffing. In some regions, SAAP networks (or other networks, such as the Regional Community Housing Councils, that have a strong focus on SAAP) facilitate good relationships and provide a forum for information and feedback from the sector to the departments and vice versa. DoC's Community Service Officers (CSOs) are seen to create and maintain good relationships with service providers, offering support and a regional access point for negotiation and discussions regarding contracts and service delivery.
- **Positive outcomes for clients:** SAAP and CAP services are seen to be delivering positive outcomes to clients. In a number of regions, service providers at the local level work together to share information, plan and make decisions to ensure that service delivery focuses on the needs of clients.
- **Supporting complex clients:** Where links have been achieved with specialist areas such as disability services and domestic violence, these are a strength. These links are important to support specific groups of clients who have multiple and/or complex needs and are provided an initial response through the SAAP system.
- **Management and reporting processes:** Existing processes regarding service agreements (contracts) for both programs were seen to provide accountability. Reporting through the National Data Collection Agency (NDCA)²⁴ provides a single source of data collection and reporting. The new needs analysis and planning tools being developed by both Departments should generate planning improvements when they are fully implemented, and the impacts can be observed at a practical, service provision level.

3.2 Areas for improvement

While recognising that there are a number of strengths in current program management arrangements, stakeholders identified a number of issues and challenges with the current arrangements. These are documented in full in the *Discussion Paper*²⁵ and the *Consultation Summary Report*²⁶

Stakeholders identified opportunities for improvement to address issues and challenges. These fall under three broad categories.

- improved coordination of programs;
- streamlined and integrated processes; and

²⁴ Managed by the Australian Institute of Health and Welfare (AIHW), the NDCA is the national database for SAAP reporting.

²⁵ Queensland Government (2008) op.cit.

²⁶ Queensland Government (2008) op. cit.

- improved communication and feedback.

The most consistent theme to emerge from the review was the importance of alignment and integration of the two programs at all levels of operation. Alignment and integration are critical to the success of the programs and in achieving positive outcomes for clients. The programs complement each other to deliver a combination of accommodation and support services to people who are experiencing homelessness. Therefore, strategies, objectives and delivery processes must be brought together to deliver a streamlined response to clients, ensure the best use of resources and, as far as possible, meet the needs of agreed priority population groups.

Program management is an integrated process and each element is interdependent. For this reason, improvements to any element of program management must be considered as part of a total strategy to ensure that changes are embedded at both the policy and operational levels for each program.

3.2.1 Improved program coordination

There are a number of mechanisms for engagement across the two departments at a central agency strategy and policy level that relate to SAAP and CAP. However, stakeholders reported that, despite these, the programs are not well aligned and there is no clear articulation of common goals and a shared understanding of the programs key objectives and purpose at a planning and operational level. Furthermore, there was a perception that a shared understanding and commitment to common policy drivers across government is limited outside of the *Responding to Homelessness Strategy*. This was seen to act as a barrier to effective cross program coordination in responding to homelessness.

The Senior Officer's Group (SOG) is the current mechanism for progressing cross-government approaches in response to homelessness.. The SOG is primarily focused on the initiatives funded under the *Responding to Homelessness Strategy*, including coordinating the reporting and evaluation process, resolving implementation issues and engaging wider agencies in implementing the *Strategy*. Given the SOG operates at a central government level feedback from stakeholders suggests that this current structure is not sufficiently effective in enabling joint service responses across government at the service delivery level. Stakeholders indicated that whole of government responsiveness is required across all tiers of activity with mechanisms for joint planning and activity required at the regional and local provision levels.

Three key areas for improvement were identified that relate to program coordination :

- **Common clients, shared outcomes:** Greater alignment of program objectives and the development of cross program outcomes is required in recognition of the programs' shared clients. This requires improved collaboration at a policy and strategy level and clear articulation of objectives and goals at a service delivery level. Consistent language and common definitions regarding clients and homelessness would support this process.

- **Program planning:** The establishment of joint planning processes would support more effective needs assessment, service planning and resource allocation. Shared information regarding accommodation options and availability, client need and service capacity would support more effective decision making to ensure better matching of accommodation and support.
- **Whole of government approach:** Many clients have a range of different needs that require the input of specialist services, such as health and corrective services, that fall under the jurisdiction of other government departments. The participation of these services in supporting SAAP and CAP clients becomes increasingly important when providers need to move clients through crisis and transitional services into other accommodation and support options.

There is a need to establish links with other government agencies and sectors at a policy and planning level to facilitate a holistic response for clients who have multiple and/or complex needs. This includes the establishment of links with the justice, mental health, disability and domestic violence sectors.. To achieve this, work already undertaken through the SOG could be enhanced to further improve linkages across government agencies to create greater cross sector alignment at a regional and local level.

3.2.2 Streamlined and integrated processes

Stakeholders raised concerns over a perceived lack of collaboration and system integration with regard to contracting and performance management processes for the two programs. This was considered important to ensure providers meet requirements for both programs and that programs delivery achieves shared goals for clients. Alignment of contracting and performance management between the programs is also important to inform planning to create a responsive, integrated service system that can address the needs of the population. Shared data and information regarding clients and service delivery was identified as key to this.

Stakeholders expressed further concerns over a lack of flexibility within contracting and compliance arrangements which was seen to restrict capacity to provide the most appropriate support to clients. It was also reported that the current arrangements create duplicative, potentially onerous contracting and reporting requirements for providers managing both SAAP and CAP services.

A number of opportunities were identified to create more streamlined and integrated processes for the two programs. These included:

- **Policies and procedures:** Streamlined and standardised policies and procedures for the two programs would support consistency in practice across the sector. Alignment or integration of policies and procedures would also facilitate program and service coordination. This would include standardised policies to support service eligibility and access, common assessment of client need, resource allocation and performance reporting.

Joint, flexible funding: Funding mechanisms for jointly delivered programs should allow greater flexibility in how funding can be utilised to respond to changing client needs. This could include establishing small streams of funds that are not specifically tied to either accommodation or support, or specific clients and can be used to respond to specific circumstances to alleviate crisis or respond to specific changes in client circumstances. In addition a move towards increased individualised funding would involve the allocation of funds to a particular service, based on the relative needs of individuals receiving support from the service. The service manages the funds but resources are allocated on an individual client basis.

This method of resource allocation provides flexibility for the service provider allowing the application of resources to the best effect at the individual level. The service provider is required to establish local protocols to guide decisions on who (from the identified population) receives a service and how much each receives.

This should be accompanied by improvements in the resource allocation model to ensure that funding decisions are responsive to the client group and changing demographics. Aligned funding cycles for both programs would facilitate more effective, long term planning.

- **Contracting arrangements:** Joint contracting arrangements should be established through a single contract and contract management process for providers delivering both programs. Contract negotiations could be better aligned to create resource efficiencies and support collaboration across the two programs. Service level agreements, as part of contract management, should include reporting against common objectives and outcomes.
- **Performance management:** A common performance management process that measures performance against shared objectives and outcomes would facilitate delivery against agreed program requirements.
- **Data collection and reporting:** A common data set which collects both qualitative and quantitative data should be established to underpin planning and reporting requirements for both programs. Standardised reporting and aligned financial reporting will minimise the number of required reports for providers who manage both programs. An alignment of service provision reporting would reduce the burden of compliance reporting and would ensure that information related to service effectiveness and client outcomes is available to both programs to inform planning.

3.2.3 Improved communication and feedback

Although mechanisms for communication and feedback exist, these are not perceived to be working effectively or consistently. Stakeholders reported that there are occasions when information is not shared in a timely or comprehensive way either between Departments or between the Departments and the sector.

It was reported that consultation with the sector is seen as informative in nature rather than providing an opportunity to input into the development of initiatives. Furthermore,

there is a perceived lack of transparency in how decisions are made, with concerns that decisions are not being informed by important information from client, provider and sector stakeholders. Providers indicated that there is limited feedback on reporting and performance, either individually or on a service-wide level. This was perceived to hinder continuous development and service planning.

A number of areas for improvement were identified. These included:

- **Communication, consultation and information sharing:** Successful management and delivery of the programs requires consistent, standardised input across central, regional and local levels. Improving communication and information sharing is a priority. Communication could be enhanced through the establishment of structured and regular communication mechanisms.

Consistent, genuine engagement of the sector by government is important to create a responsive sector to inform decision making and to create and maintain positive working relationships.

- **Regional networks:** Structured, regular joint forums could provide a means for consultation, communication and discussions to strengthen relationships with and between providers.
- **Regional advisory group:** An advisory group would enable the sector to contribute to strategy and policy development and program planning. The advisory group would provide an opportunity to feed into government processes and key areas of activity.
- **Feedback loops:** To ensure that the interaction between the tiers of operation are effective appropriate feedback mechanisms should be established at each tier. Feedback should include but not be limited to:
 - ongoing feedback through established planning processes in relation to the provision of SAAP and CAP;
 - access to reports in relation to performance monitoring activities undertaken on organisations that provide support to the SAAP and CAP clients;
 - access to reports that provide comment on systemic themes and trends in the provision of SAAP and CAP across the sector; and
 - access to information and documentation in relation to any proposed changes to policy and regulation in relation to SAAP and CAP provision.

4 Improving SAAP and CAP program management

This section describes the principles that guide the specific program management and associated improvement strategies against which action is required.

It is acknowledged that, for some areas of improvement, strategies are already in place; however, at the time of the review, these improvements were not fully embedded in either a consistent or coherent manner across both programs.

4.1 Underpinning principles

At the commencement of the project, both DoH and DoC had identified a number of principles that were to underpin the basis for any improvement strategies. Any proposed changes were to:

- lead to improved outcomes for clients;
- improve program efficiency and effectiveness;
- improve program coordination and integration;
- optimise delivery of government objectives; and
- position Queensland as well as possible to respond to national developments in the sector.

To ensure that these requirements have been fully considered, each improvement strategy has been reconciled against these principles.

4.2 Elements of program management

To structure and guide the review, program management was considered to comprise the following five elements:

- strategy and policy development;
- needs assessment and planning;
- funding and resource allocation;
- purchasing and contract management; and
- performance management and reporting.

Strategies are specified against these elements. Diagram 1 below provides an overview of the elements of effective program management and the principles and business processes that support it²⁷.

4.3 Strategies for improvement

The review has clearly identified a number of elements of program management that require improvement. These improvements remain relevant and necessary regardless of where the responsibility for program administration ultimately resides. Not addressing these areas for improvement will limit the ability to provide effective service delivery and to establish an integrated whole of government response to homelessness into the future.

Tables 1-6 describe the recommended strategies for improvement.

The tables also identify implementation considerations. Relative priority for each of the strategies is provided on a scale of 1 – 4:

- Priority 1: within six months;
- Priority 2: within 12 months;
- Priority 3: within 12 to 18 months; and
- Priority 4: within two years.

²⁷ A detailed description of these elements is provided in Appendix A.

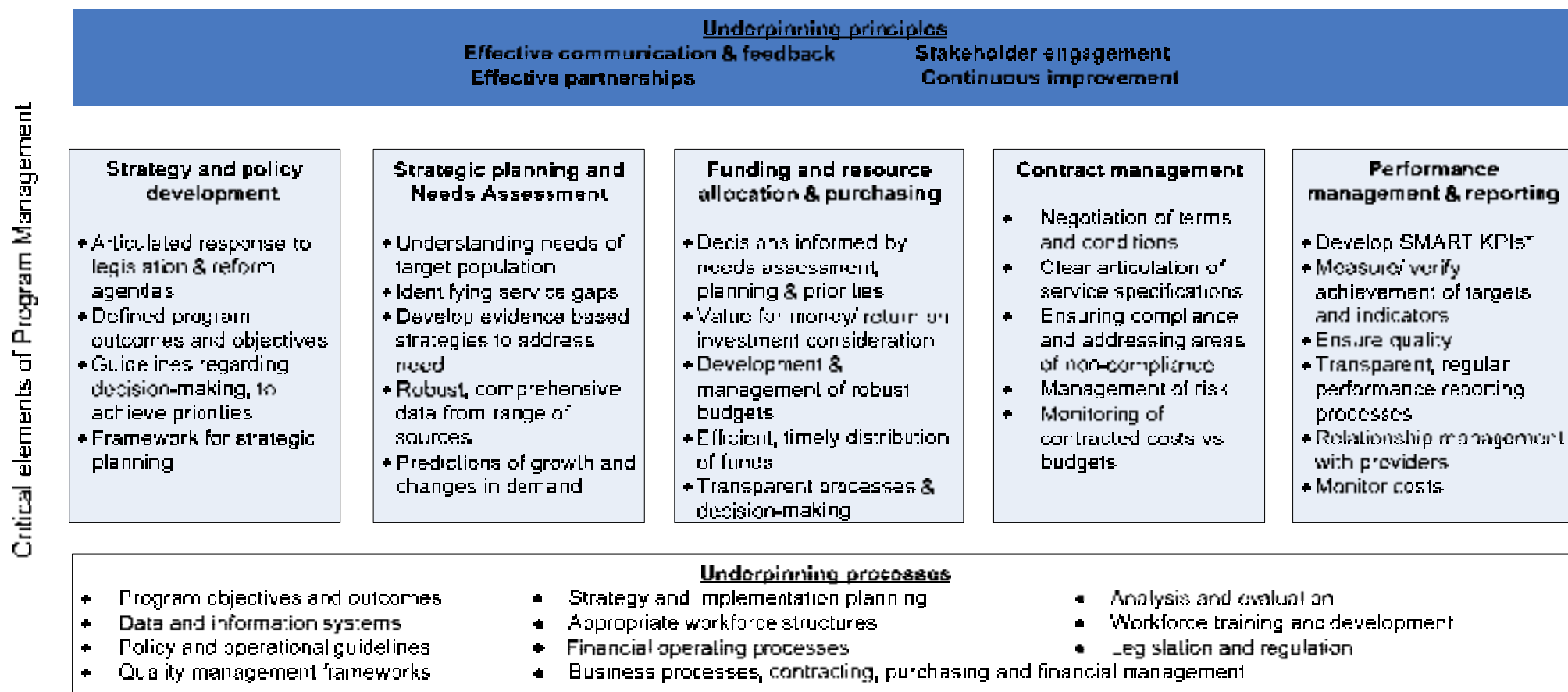


Diagram 1: Effective program management elements, with underpinning principles and business processes

* SMART KPIs are Key Performance Indicators(KPIs) that are Specific (S), Measurable (M), Achievable (A), Realistic (R) and Time bound (T). Using SMART targets is a recognised approach to setting targets for project and program delivery.

Table 1: Element one: Strategy and policy development

Strategies for improvement	Implementation actions	Priority	Principle
<p>1.1 Align strategy, policy and planning mechanisms and processes to develop an integrated response to homelessness. This requires the:</p> <ul style="list-style-type: none"> • alignment of policy and planning cycles for SAAP and CAP; • definition of agreed priorities and established policy parameters, including the establishment of a common definition of homelessness; • clarification of the relationship of SAAP and CAP to the One Social Housing Strategy and the broader government policy agenda; • development of joint policy frameworks underpinned by shared objectives and outcomes; • establishment and use of common terminology to support shared understanding; • establishment of shared processes and mechanisms to underpin integrated planning at both a central and regional level. This should include the establishment of regional planning forums with service provider and service user input; • specification of program roles and responsibilities against program objectives at both a central and regional level; and • enhancement of existing mechanisms to support whole of government input into the policy development process. 	<p>Establish a shared governance structure to underpin program delivery</p> <p>The shared governance structure needs to consider arrangements at two levels:</p> <ul style="list-style-type: none"> • Cross departmental within DoH and DoC; and • Cross government to incorporate programs that interface with SAAP and Cap in responding to Homelessness. <p>The shared governance structure should take responsibility for the establishment of all working groups referred to within the improvement strategies and should oversee and monitor all improvement activity.</p>	<p>1</p>	<p>Lead to improved outcomes for clients</p> <p>Improve program efficiency and effectiveness</p> <p>Improve program coordination and integration</p> <p>Optimise delivery of government objectives</p>

Strategies for improvement	Implementation actions	Priority	Principle
<p>1.2 Review current policies and procedures to ensure they:</p> <ul style="list-style-type: none"> • align with agreed strategy; • align to both SAAP and CAP, where appropriate; • give effect to shared program objectives; and • provide a consistent and common understanding. 	<p>Establish a working group to:</p> <ul style="list-style-type: none"> • identify current policies and procedures relating to homelessness and to SAAP and CAP; and • revise policies and procedures to reflect agreed shared program objectives and outcomes to ensure they provide consistent understanding and approach. <p>Assess the need and requirement for workforce development in response to changing policy requirements.</p>	<p>4</p>	<p>Lead to improved outcomes for clients</p> <p>Improve program efficiency and effectiveness</p> <p>Improve program coordination and integration</p> <p>Optimise delivery of government objectives</p>

Table 2: Element two: Needs assessment and planning

Strategies for improvement	Implementation actions	Priority	Principle
<p>2.1 Align and integrate needs assessment and planning processes across CAP and SAAP by:</p> <ul style="list-style-type: none"> • establishing joint needs assessment and planning processes that include: <ul style="list-style-type: none"> - demand analysis including predicted growth in and changes to the target population over time and assessed patterns of access to service for those who are at risk of or who are homeless; - analysis of current resource base and utilisation including mix and type of services; - population demographics and changing / emerging trends; and - evidence-based practice; • developing a needs assessment and planning framework that: <ul style="list-style-type: none"> - is aligned to shared policies, objectives and priorities for SAAP and CAP; - establishes an agreed needs assessment and demand modelling methodology; - facilitates common assessment and planning timeframes between SAAP and CAP; and - defines data and identifies potential sources of information required to inform current and future needs assessment and planning for SAAP and CAP. 	<p>Establish a working group to develop the needs assessment and planning framework</p>	2	<p>Lead to improved outcomes for clients</p> <p>Improve program efficiency and effectiveness</p> <p>Improve program coordination and integration</p> <p>Optimise delivery of government objectives</p> <p>Position Queensland as well as possible to respond to national developments in the sector</p>

Strategies for improvement	Implementation actions	Priority	Principle
<p>2.2 Develop a joint needs assessment and planning tool(s) to support decision making for access to CAP and SAAP services based on the above planning requirements.</p>	<p>As a subset of the needs assessment and planning framework, establish a working group involving both government, service provider and stakeholder representatives to:</p> <ul style="list-style-type: none"> • review existing tools and assess applicability against needs assessment and planning framework; • revise tools and/or create new tools that support decision making and planning; and • develop guidelines for use of the tools and provide appropriate training to the sector to implement the tools. 	<p>3</p>	<p>Lead to improved outcomes for clients</p> <p>Improve program coordination and integration</p> <p>Optimise delivery of government objectives</p> <p>Position Queensland as well as possible to respond to national developments in the sector</p>
<p>2.3 Establish data systems to record and share needs assessment and planning information.</p>	<p>Undertake a data audit to establish the quality and robustness of current data collection processes to inform needs assessment and planning processes.</p> <p>Develop a revised data collection and management strategy to improve:</p> <ul style="list-style-type: none"> • collection processes; • consistency of data definitions; • supporting information technology systems, both hardware and software; • develop procedural guidelines; and • train staff in use of data systems. 	<p>2</p>	<p>Improve program efficiency and effectiveness</p> <p>Improve program coordination and integration</p>

Strategies for improvement	Implementation actions	Priority	Principle
2.4 Establish consultation mechanisms at a regional level to enable input from program staff, service providers and service users into the needs assessment planning process.	Develop standards and a code of practice for consultation and engagement Implement consultation process to support the input from program staff, service providers and service users into the needs assessment planning process.	2	Improve program coordination and integration Optimise delivery of government objectives

Table 3: –Element three: Funding and resource allocation and purchasing

Strategies for improvement	Implementation actions	Priority	Principle
<p>3.1 Improve and align processes for funding and resource allocation to better support effective matching of tenancy and support provision by:</p> <ul style="list-style-type: none"> • development of a funding allocation model to ensure that funding decisions reflect current and changing patterns of need, rather than historical arrangements. The model should include agreed criteria for funding and resource allocation decisions (based on agreed program outcomes and objectives and annual needs assessment analysis); • common and consistent funding parameters and conditions of funding, where able; • establishing costing benchmarks for both housing and support to guide resource allocation decisions; • alignment of funding cycles for both programs; • development of protocols and practice guides to support more effective matching of housing and support; and • joint budget development processes to inform decision making and more effective matching of tenancy and support needs against assessed patterns of need. 	<p>Establish a working group to develop a funding and resource allocation framework that:</p> <ul style="list-style-type: none"> • establishes policy parameters to guide funding and resource allocation decisions; • establishes funding parameters and criteria for investment; • establishes costing benchmarks; and • identifies funding methods and models. 	2	<p>Lead to improved outcomes for clients</p> <p>Improve program coordination and integration</p> <p>Improve program efficiency and effectiveness</p> <p>Optimise delivery of government objectives</p> <p>Position Queensland as well as possible to respond to national developments in the sector</p>

Table 4: –Element four: Purchasing and contract management

Strategies for improvement	Implementation actions	Priority	Principle
<p>4.1 Align purchasing requirements and contract management to streamline processes, improve accountability and minimise the burden of compliance for providers by:</p> <ul style="list-style-type: none"> • ensuring legislative, policy and operational requirements for both programs are appropriately detailed (legislation, standards, policy and procedures, financial reporting and organisational governance and quality systems); • the establishment of a single contract for services that deliver both SAAP and CAP functions; and • developing joint performance targets, where able, to reduce the duplication of reporting and compliance. 	<p>As part of the establishment of a resource allocation framework:</p> <ul style="list-style-type: none"> • develop a single purchasing and contract management process; • develop supporting policy documentation to guide contract management activity; and • revise and design new single contract. 	3	<p>Improve program efficiency and effectiveness</p> <p>Improve program coordination and integration</p> <p>Optimise delivery of government objectives</p>
<p>4.2 Establish responsibility for contract administration through single point of contact to manage the:</p> <ul style="list-style-type: none"> • advice to providers on contract specifications and requirements; • negotiation and signing of contracts; • administration of grants/ funds; • monitoring of adherence to contractual requirements; and • management of non compliance. 	<p>As part of the establishment of a contract management framework:</p> <ul style="list-style-type: none"> • define and document the role and functions of contract administration; • develop operational guidelines for contract administration, including payment of grants and funds and compliance monitoring; • develop supporting workforce development strategy to support changed roles and functional activity within DoH and DoC; • communicate changes and implications to service providers and introduce single point of contact. 	4	<p>Improve program efficiency and effectiveness</p> <p>Improve program coordination and integration</p> <p>Optimise delivery of government objectives</p> <p>Position Queensland as well as possible to respond to national developments in the sector</p>

Strategies for improvement	Implementation actions	Priority	Principle
<p>4.3 Assignment of relationship management to single point of contact to enable consistent communication and contact with service providers that:</p> <ul style="list-style-type: none"> • outlines Government priorities and policy objectives; • specifies program requirements; • supports policy and service guideline development; • takes a focus on sector development and capacity building; • supports the identification and sharing of innovative practice; and • provides opportunity for feedback and input from providers. 	<p>Define and document the relationship management role between government and service providers</p> <p>Develop operational guidelines for relationship administration, including policy and service guideline development, capacity building and sector development.</p> <p>Develop supporting workforce development strategy to support changed roles and functional activity within administering Departments.</p>	4	<p>Improve program efficiency and effectiveness</p> <p>Improve program coordination and integration</p> <p>Optimise delivery of government objectives</p>
<p>4.4 Establish a shared database to facilitate effective contract management with service providers</p>	<p>Map existing contracts identifying service providers, program(s), funding levels, contract period, services and service specifications, location, region, target group, size of program (number of clients/ number of properties and beds)</p> <p>Establish and manage an electronic database of all SAAP and CAP contracts</p> <p>Develop guidelines for use of database. This includes defining purpose of database, identifying authorised users and defining privacy of information considerations.</p> <p>Establish mechanisms for updating database on a periodic basis</p>	3	<p>Improve program coordination and integration; and</p> <p>Optimise delivery of government objectives.</p>

Table 5: Element five: Performance management and reporting

Strategies for improvement	Implementation actions	Priority	Principles
<p>5.1 Establish common performance management and reporting framework through:</p> <ul style="list-style-type: none"> • specifying and aligning program outcomes; • the establishment of common performance measures against agreed outcome categories; • aligning performance assessment and reporting cycles for both programs; • establishing common financial reports for providers of both SAAP and CAP; • the establishment of common performance data collection process with agreed data requirements and definitions; • developing common tools to underpin the performance assessment process; and • establishing more robust links between performance and contract renewal. 	<p>Establish a working group to develop an outcomes based performance measurement framework comprising stakeholder representatives to establish:</p> <ul style="list-style-type: none"> • underpinning parameters and conditions of the framework; • outcomes for each program and supporting performance measures; • performance assessment methodologies and associated assessment tools; • the timing and cycle of assessment processes; • operational requirements to implement an outcomes based measurement approach; and • the roles and responsibilities of government and service providers within the framework 	1	<p>Lead to improved outcomes for clients</p> <p>Improve program efficiency and effectiveness</p> <p>Improve program coordination and integration</p> <p>Optimise delivery of government objectives</p> <p>Position Queensland as well as possible to respond to national developments in the sector</p>
<p>5.2 Improve data collection mechanisms to capture data on service activity not collected through SMART, to better understand the range of service delivery activities and to inform planning and resource allocation.</p>		3	

Table 6: –Supporting strategies: Communication and feedback mechanisms

Strategies for improvement	Implementation actions	Priority	Principles
<p>6.1 Develop a communication strategy that:</p> <ul style="list-style-type: none"> • educates and informs all stakeholders on government objectives and priorities for SAAP and CAP; • describes joint policy and strategies to respond to homelessness and details shared objectives, responsibilities and outcomes; • identifies strategy and policy development mechanisms and mechanisms for input into policy development; • specifies funding and resource allocation criteria and rationale; • identifies stakeholders and defines their roles and responsibilities in relation to SAAP and CAP; and • identifies mechanisms for stakeholder consultation and feedback. 	<p>Establish a working group to develop a communication strategy to underpin all key pieces of activity identified in the improvement strategies</p>	2	<p>Lead to improved outcomes for clients</p> <p>Improve program efficiency and effectiveness</p> <p>Improve program coordination and integration</p> <p>Optimise delivery of government objectives</p> <p>Position Queensland as well as possible to respond to national developments in the sector</p>
<p>6.2 Establish structures at a central and regional level for key stakeholders to input into:</p> <ul style="list-style-type: none"> • planning and policy development; • needs assessment planning; and • sharing and exchange of practice learnings. 	<p>Structures should include:</p> <ul style="list-style-type: none"> • a central governance group with responsibility for overseeing all working groups and initiatives relating to SAAP and CAP; • forums in each region; and • regional advisory group for each region or network. 	2	<p>Lead to improved outcomes for clients</p> <p>Improve program coordination and integration</p> <p>Optimise delivery of government objectives</p>

Queensland Department of Housing and Department of Communities
Review of Program Management Arrangements for SAAP and CAP Final Report
 April 2008

Strategies for improvement	Implementation actions	Priority	Principles
			Position Queensland as well as possible to respond to national developments in the sector

4.4 Implementation considerations

Critically, implementing the strategies for improvement will require modifications to existing arrangements, as well as the establishment of new structures, mechanisms and processes. To achieve this, a number of factors need to be considered:

The strategies necessitate a comprehensive program of change for the sector and for Government. A joint implementation plan will be required to guide the changes with consideration of the relative priorities, resource requirements and subsequent timeframes for implementing the strategies. Robust sector engagement and consultation is essential to bring about effective change.

Immediate and long-term changes must be responsive to forthcoming changes in the national policy agenda.

Broader cross-government responsibility must be established to create a holistic service response to homelessness. This must build on the work done through the *Responding to Homelessness Strategy*, in which five government agencies are responsible for implementing homelessness initiatives under new funding.

To be effective in creating system change, common language and definitions must be consistently reflected in all documentation and communication regarding SAAP and CAP.

Staff will require specific and specialised skills and knowledge to implement changes effectively (for example to create the single points of access for contract management and relationship management). This will require consideration of the current workforce capability and the implementation of a workforce development strategy for existing and new staff to either re-orientate or create new capability.

5 Recommendations

The review examined current program management arrangements to identify areas of improvement and explore how the programs could be more effectively administered through changes to Departmental administration arrangements.

The findings show considerable evidence that current arrangements must be improved and indicate ways to achieve this. There was however no definitive evidence to indicate whether the program would be better administered by DoH or by DoC. The areas for improvement need to be undertaken regardless of where program administration responsibility is located. Both Departments will face challenges in administering a program of change.

Importantly, the two key themes to emerge from the review were the:

- recognition of a shared client group and agreement about common objectives and outcomes; and
- need for improved joint working to deliver a whole system response that more efficiently and effectively meets the needs of people who are homeless or at risk of homelessness.

Therefore the integration and alignment of program processes and structures is essential, together with clear accountability for decision making and service delivery.

5.1 Key recommendations

There are two key recommendations arising from the review.

Recommendation 1: That a single line of accountability, at Ministerial level, be established to give effect to the areas of improvement for program administration for both SAAP and CAP. This could be achieved through a heads of agreement²⁸ that clearly details the:

- roles and responsibilities;
- key accountabilities across the two programs; and
- expected performance requirements and outputs for both programs.

²⁸ A 'heads of agreement' is a non-binding document that outlines the key areas of concern relevant to a partnership arrangement between two departments. It serves as a guideline to agree and establish commitments against which each Department should comply. The agreement should articulate accountability for program functions, performance expectations and monitoring and reporting of activity. The agreement does not act as a comprehensive or exhaustive document of activity but rather a document of intent.

Establishing a single line of accountability would vest overall responsibility for both programs with one Minister. Associated benefits include:

- recognition through administrative arrangements that the programs are interdependent;
- delegated authority to a single party, who is held to account for program outcomes, and can act to make changes required for program improvements;
- ability to establish consistent and aligned approaches to all elements of program management;
- ensuring that all information with regard the programs and their associated activity is available to and reported through a single source.

Potential risks associated with establishing a single line of accountability include:

- potential decrease in communication between agencies due to shift in decision making authority;
- size and complexity of the portfolio may be difficult to manage under one accountability line; and
- need to ensure focus and expertise is maintained equally for both accommodation and support components of service delivery in responding to homelessness.

Recommendation 2: The establishment of Homelessness as a 'program' rather than a 'strategy' underpinned by a cross government governance structure. This would enable translation of key policy objectives into an integrated program delivery structure that identifies the requirements and functions of policy, planning, funding and resource allocation, performance monitoring and sector development.

Associated benefits include:

- embedding the requirements of the current homelessness strategy into a service delivery structure moves homelessness from a plan of action to actual program delivery;
- establishing the structure under which the required integration and alignment of SAAP and CAP can occur;
- linkage of broader service requirements outside of SAAP and CAP into a single program structure supporting a whole of system response to homelessness;
- clear assignment of responsibility and accountability for program functions and service delivery within the strategy.

Potential risks associated with establishing homelessness as a program include:

- responsibility for responding to homelessness sits across multiple government agencies. It may be difficult to establish a singular program structure due to its size and complexity; and
- the need to communicate any program management changes to the sector to create ownership.

5.2 A program approach to homelessness

To assist with preliminary thinking in relation to establishing a program structure for homelessness, two diagrams are presented. The first diagram illustrates the risk factors associated with homelessness. It provides the context for homelessness and the potential outcomes and service responses that programs seek to deliver for people who are homeless or at risk of homelessness. The diagram was developed based on support types identified in the NDCA²⁹ data set. It also draws on diagrams presented by Robinson³⁰.

The second diagram, Diagram 3, illustrates the multi-dimensional components of service that are required in responding to homelessness. This enables a beginning dialogue for developing a program management structure in response to homelessness. This diagram has been developed by using a program logic³¹ and is based on an understanding of target client groups³² and service objectives for crisis, transition and long term housing.

²⁹ The SAAP NDCA records and reports on national data from SAAP services.

³⁰ Robinson, C. (2003) *Healing and stability: addressing the needs of homeless people with mental disorders* pp 7-8, Brisbane, 6-8th April. Presented to Third National Conference on Homelessness Viewed at <http://www.afho.org.au/conference/2003conference/Robinson.pdf> on Monday 28th April.

³¹ Sourced from <http://www.ozpolitics.info/guide/topics/program-logic/> on Monday 28th April 2008

³² Taken from the NDCA data set, sourced from the SAAP NDCA Report 2005-06 <http://www.aihw.gov.au/publications/index.cfm/title/10419> on Monday 28th April 2008.

Diagram 2: The homelessness context

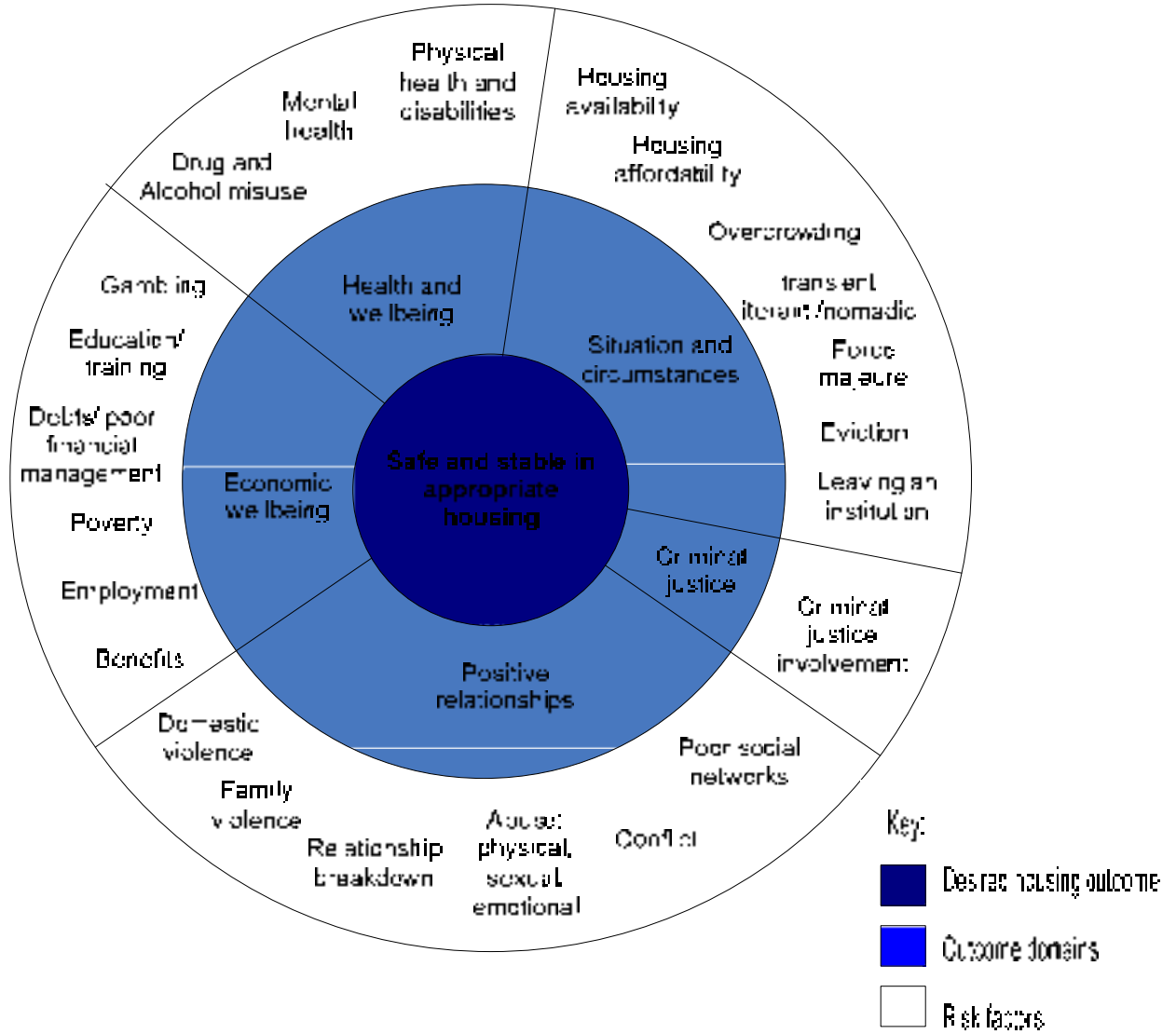
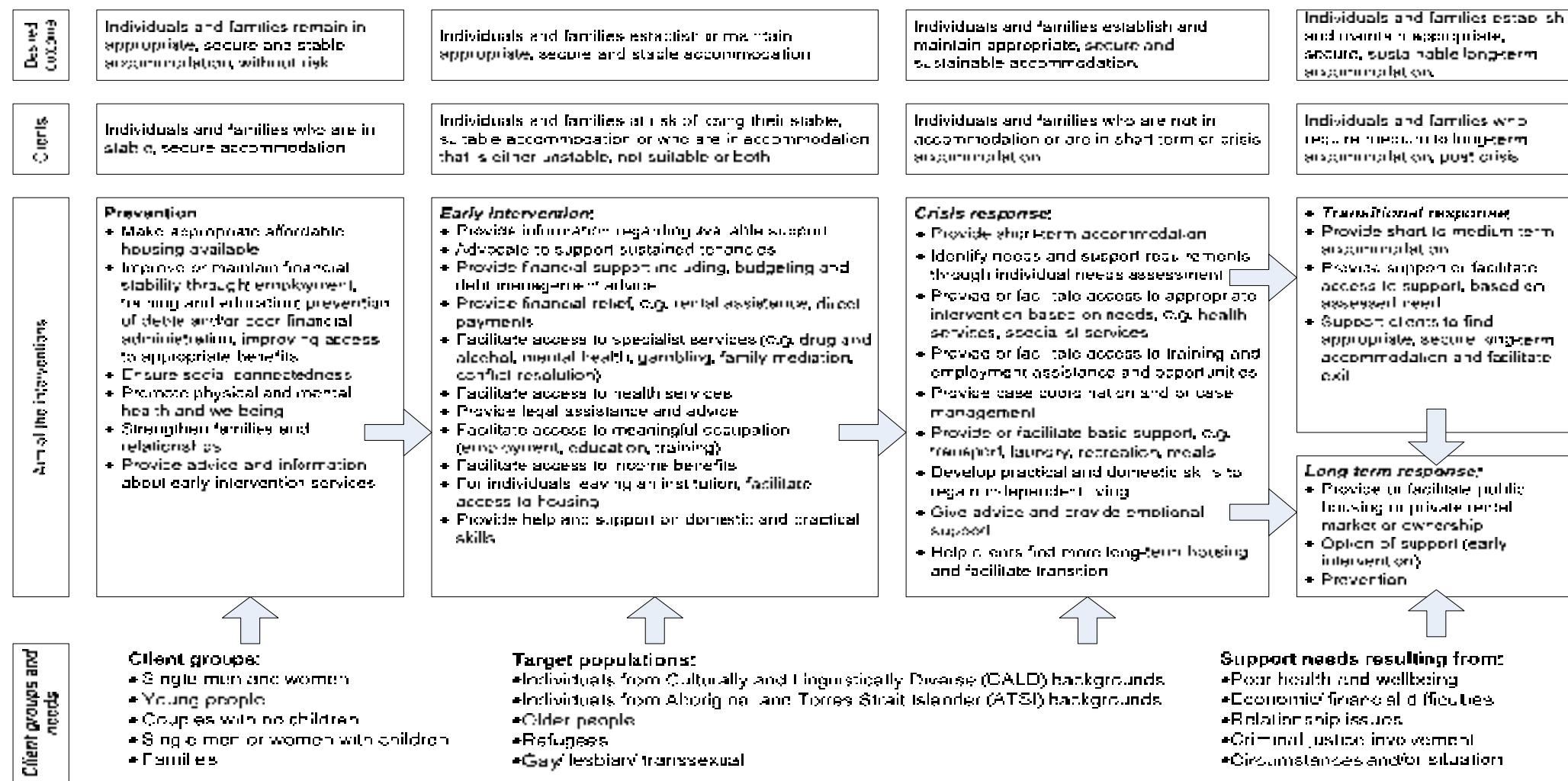


Diagram 3: A program approach to responding to homelessness



5.3 Key priorities going forward

Whilst the strategies for improvement represent a body of work over the next two years, there are four key activities that must be given priority as they provide the overarching context and mandate for all strategies. These are the:

- establishment of a common understanding and definition of homelessness;
- articulation of the relationship of both programs to the One Social Housing Strategy and the broader government policy agenda;
- establishment of a governance structure to underpin program delivery. This needs to consider arrangement at two levels:
 - cross departmental within Housing and Communities; and
 - cross government to incorporate programs that interface with SAAP and CAP in responding to Homelessness; and
- development of agreed program outcomes supported by agreed performance measures and performance assessment processes. Moving to an outcomes based framework enables some fundamental changes to the way programs' success would be measured:
 - a shift in focus from one based on inputs to one based on outcomes;
 - the emphasis of measurement is on the effectiveness of the program at the individual and service provider level; and
 - it establishes the means to provide incentives to reward and encourage good performance in achieving outcomes across the sector.

5.4 Next steps

An implementation plan will be required to support activity around the improvement strategies. This should be developed once decisions have been made with regard to the assignment of Ministerial accountability.

A Program management elements

This section provides a broad overview of the elements of program management.

A.1 Elements of effective program management

Program management is the method by which multiple, inter-related programs or projects are administered. There are a number of critical components of program management that ensure services and supports to the community are delivered to achieve the best results for an intended target group.

The review focused on five key elements of program management that provided useful thematic areas to structure and guide the review. The program management elements are:

- strategy and policy development;
- planning and needs assessment;
- funding, purchasing arrangements and resource allocation;
- contract management; and
- performance management and reporting.

These elements are described below and are illustrated in Diagram 1, in section 4.1:

Strategy and policy development

Strategy and policy is the means by which administering agencies respond to government's core legislation and reform agendas. Strategies set out how outcomes can be achieved over a period of time and policies guide decision making regarding how to achieve outcomes, based on priorities and impact of actions. Clearly articulated strategies and policies set the overarching direction and provide important guidance to ensure that all services are working towards shared outcomes. It is critical that strategies and policies are developed with input from all key stakeholders involved in a program, or intersecting programs, and are clearly communicated at all levels.

In the policy development role, Government is responsible for strategic planning and formulating policy, in response to either government policy, identified community needs or both. They are responsible for new initiatives and/or revisions to current government programs and services and for securing funds from within government for the funding of programs.

Common functions of the strategy and policy development functions can include but are not restricted to:

- determining and evaluating community outcomes;
- deciding broad priorities and developing policy parameters;
- managing long-term strategic planning³³ for community outcomes;
- holding purchasers accountable for their performance;
- being accountable to the community (through Parliament); and
- ensuring the appropriate legislative and regulatory framework is in place.³⁴

In undertaking this role, each tier of government has a leadership role in the development and delivery of support services. In addition, the Australian Government not only has responsibility for its own programs and services but it also has a national leadership role in bringing together States and Territories to achieve a coordinated approach.

Needs assessment and planning

Needs assessment involves understanding the needs of a target population, identifying what strategies are required to address need, identifying both existing services and service gaps. Effective needs assessment draws on the full range of qualitative and quantitative information to provide a comprehensive understanding of the target group. An assessment of needs must be able to identify needs at a single point in time, as well as predicting future trends. Needs assessment underpins demand management strategies. Demand management involves the determination of:

- predicted growth in and changes to the target population over time and assessed patterns of access to community, generic and specialist program resources to identify the most cost effective usage of these resources; and
- the mix and timing of services offered to individuals and families to ensure the most appropriate and cost effective usage of such services.

Program planning focuses on:

- the demand for the services provided by a program;
- an assessment of the available resource base; and
- the determination of the need for additional resources.

³³ This includes the identification and specification of service gaps, changing needs and emerging needs.

³⁴ Funder, Owner, Purchase, Provider – Exploring the Concepts: A GMF Discussion Paper, FOPP Working Group, State Government of South Australia, June 1997, p10.

Planning at the program level can occur at an individual program level or for a cluster of programs targeted towards the same outcome.

Planning at the individual level is central to the way that supports are provided to each person receiving a service. Planning at the individual level is informed by assessment and resource allocation processes within an individual program.

Funding and resource allocation

A key part of program management is managing, allocating and administering funding and resources. Resource allocation is the mechanism by which the funds that are allocated by governments to support people within the community are distributed to individuals through the relevant service system. Resources are allocated based on the efficient cost of service provision in response to the identified needs of an individual or identified population group.

Decisions about funding and resource allocations are guided by strategic and policy directions and are informed by needs assessment and planning. It is important that decisions about allocations are transparent and are based on assessed need and priority. Decisions about which services to fund, or which property to invest in, must consider value for money, or return on investment principles.

Purchasing and contract management

In their purchasing role, Government:

- determines conditions of effective service design and delivery (price, quantity, quality, location) including the outcomes to be achieved;
- negotiates and contracts with providers for volume and quality at best price;
- monitors performance and appropriateness of services being purchased; and
- encourages competition between providers.³⁵

Frequently, purchasers of services use mechanisms such as purchase contracts, memoranda of understanding, service level agreements or partnership agreements to give effect to purchase arrangements. These mechanisms are usually supported by performance monitoring and reporting requirements.

As part of the purchasing function where services are funded to deliver specified activities or outcomes, contract management is critical. It involves negotiating the terms and conditions in contracts or purchasing agreements, including specifying what a service will deliver, to whom and how, for how much and over what time period. Contract management also involves ensuring compliance with those terms and

³⁵ Ibid, p8. At times, market forces may require focus on establishing cooperation between providers to ensure the required services can be provided rather than simply letting market forces dictate.

conditions and documenting and agreeing any changes that may arise. It is an important mechanism to manage risk, ensuring organisational financial and operational performance and that services are operating in line with legislation and other requirements.

Performance management and reporting

Performance management is the mechanism by which managers and administrators of a program, or services, verify whether the outcomes for clients are being achieved. Performance management assesses how well a service is meeting targets and indicators agreed during contract discussions. It is a mechanism for ensuring that services are delivering a quality service that is in line with best practice and is delivering value for money. Mechanisms are in place for program managers to address under performance and to work with services to improve performance. In this way, performance management informs contract management.

Performance management is an on-going process that relies on reporting of specified information at specified periods, such as quarterly and annually. Reports may provide activity or outcome data, to measure service usage and results against targets and indicators. Financial reports are also required to ensure that services are delivered within budget and are efficient and cost effective. Reporting is often required to the auspice organisation, as well as at a national level. Information from reports informs needs assessment and planning processes.

B Program management arrangements in other jurisdictions

There is no nationally agreed preferred approach that underpins the administration of SAAP and CAP with various program management arrangements existing in other jurisdictions. A number of stakeholders in other jurisdictions were consulted to explore elements of program management³⁶ and to identify elements that work well and the current challenges within these arrangements.

Australian Capital Territory

SAAP and CAP are both administered by the Department of Disability, Housing and Community Services (DHCS), under Housing and Community Services.

A small amount of CAP funding is managed as a capital program to assist with the capital costs of providing crisis accommodation. There is no current expansion to the CAP program. The funding is currently used to replace and improve properties being used by existing SAAP services.

The sector has undertaken significant development, with support from DHCS, to reposition SAAP and CAP as part of a continuum of care for people requiring housing. SAAP services are positioned as the entry point to housing for people experiencing homelessness, with clear exit points into transitional and public housing post crisis. Alignment and accountability for the two programs and for social housing is identified as essential in developing a whole service response to breaking the cycle of homelessness.

What seems to work well	Identified challenges
<p>Repositioning SAAP and CAP as a crisis response and public housing as a post-crisis response has created a clear continuum of care for clients. This is supported by a clear prioritisation process for access to public housing.</p> <p>Aligning responsibilities of the SAAP, CAP and public housing has enabled a more flexible use of resources and capacity to address some of the identified blockages in the system. An example is using un-leased public housing properties as rolling transitional housing stock to increase exit points from crisis accommodation.</p>	<p>Links with other departments and agencies to foster a cross government approach to homelessness are still being developed. This means that clients with high and complex needs may not be supported as effectively as possible.</p>

³⁶ The information provided here is based on discussion between KPMG and stakeholders from other jurisdictions. No attempt was made to validate or test the accurateness of the information presented here.

What seems to work well	Identified challenges
Joint planning of SAAP and CAP has led to a better matching of accommodation and support, to best meet the needs of clients.	

New South Wales

In NSW, SAAP is managed by the Department of Community Services (DoCS) and CAP is managed through the Department of Housing. The majority of SAAP services are associated with a CAP property to provide crisis and transitional responses to clients.

Both central and regional DoCS and DoH offices are involved in joint strategic planning to establish shared high-level priorities. These priorities are provided to regional DoCS and Office of Community Housing (OCH) offices to support the identification of regional targets.

DoCS central and regional offices develop regional plans (currently the SAAP V plans), which are used as the basis for community consultation with services and other stakeholders in regions. Regional OCH offices are involved in consultations to agree initiatives and priorities between SAAP and CAP, before the plans are finalised. The SAAP plans become the platform for planning for CAP services. Each regional SAAP V plan includes details of the potential impact that each project and action may have on CAP.

SAAP services are contracted by DoCS through a performance monitoring framework. This framework identifies and involves service providers in a cycle of planning and review, performance monitoring and performance improvement. The contracting process involves both central and regional DoCS offices.

CAP services are contacted and managed through funding agreements with OCH in each region using a performance based system that is also used with larger housing providers. Relationships between providers managing the two programs, at service level, are formalised through service level agreements between the providers.

OCH is a specialist adviser to DoCS regional offices regarding tendering process for new services. Where necessary, they provide advice on the capacity of the bidding provider to provide tenancy management. The OCH have also endorsed the rules of procurement that guide the purchasing of SAAP services.

What seems to work well	Identified challenges
<p>A regional structure for both departments (through DoCS regional offices and OCH regional offices) enables communication between departments at regional level.</p> <p>Regional planning involves both departments, as well as service providers and other stakeholders.</p> <p>SAAP V plans explicitly include consideration of potential impact on CAP.</p> <p>OHC has the capacity to serve as an expert adviser on decisions to purchase a SAAP service, which ensures that providers have sufficient capacity and capability.</p>	<p>There are some difficulties in ensuring compliance of providers against different legislative and regulatory requirements under different Acts as contracting and compliance processes are not integrated.</p> <p>It was identified that different funding cycles can create problems in decision making regarding resource allocation.</p> <p>The role of the OHC as advisers for Expressions of Interest (EOI) for new SAAP services is restricted by a lack of information in the EOI to specifically assess a provider's ability to manage property and tenancies. This may impact on the effective management of assets.</p>

Victoria

SAAP and CAP are managed through the Office for Housing in the Department of Human Services (DHS).

Several units within the Housing & Community Building (H&CB) Division of DHS are involved in program management of SAAP and the Transitional Housing Management Program (THM), which incorporates CAP funding. Housing Sector Development is responsible for strategic planning regarding homelessness and central management of the programmatic responses across Victoria. Public Housing and Community Building for a leasing program, and Property Services & Asset Management are responsible for property growth and maintenance. Policy, Strategy and Communication Branch are responsible for planning, research and evaluation into homelessness. The units work together to deliver SAAP and THM programs to respond to homelessness and people in crisis or facing crisis. H&CB funds Child, Youth and Family Services Division of DHS to deliver the Placement and Support components of SAAP.

CAP funding contributes to the Transitional Housing Management Program (THM), which includes provision of housing information and referral, transitional housing, and financial assistance (through the Housing Establishment Fund). The alignment of these funding streams enables the THM to provide a significantly larger response to crisis and transitional needs than CAP on its own could offer. (In fact, half of the crisis and transitional units of accommodation in Australia are provided in Victoria).

The THM Program provides accommodation to the majority of SAAP clients (the exception being those in adult, youth and women's crisis facilities. In this way, the provision of SAAP and accommodation to clients in crisis are delivered through separate providers. Likewise, clients have separate relationships with providers of support and providers of accommodation.

The central DHS office conducts strategic planning regarding SAAP and THM and seeks involvement from the regional offices during implementation of the strategy. Regional DHS offices have responsibility for funding, contracting and monitoring SAAP and THM services through service agreements.

There has been a strong cross government focus on improving responses to homelessness in Victoria. This has created strong links with other agencies and departments, such as Youth, Child and Family Services Division including Youth Justice, Mental health and Drugs, Community Corrections and Court Services such as Bail Support, Drug Courts and the Neighbourhood Justice Centre, with the leveraging of additional funds to support people with complex needs who are homeless or at risk of homelessness. This is facilitated by the co-location of responsibilities for SAAP and THM (CAP) in a department that has a broad agenda and lines of accountability for many program areas.

THM recognises that supporting people appropriately in crisis and transitional housing improves outcomes and saves resources in the long-term by improving the chance that individuals will be able to sustain long-term tenancies.

The THM uses a common homelessness data system that is analysed by the NDCA. This provides a robust, comprehensive data set for planning and decision making for both SAAP and THM programs.

What seems to work well	Identified challenges
<ul style="list-style-type: none"> • The use of CAP funds as part of a wider service system creates a larger, more flexible stock for crisis and transitional accommodation. • Separate client 'contracts' with support and accommodation providers ensures clarity around roles and responsibilities and ensures that support is tied to a client, rather than to a property. • A cross government focus enables more appropriate resources and responses to meet the needs of complex clients. • The development and strengthening of area based responses will result in more effective services to clients. 	<ul style="list-style-type: none"> • Working relationships are still evolving between teams within DHS that are responsible for responding to homelessness and linking to long-term housing solutions. It is not clear what impact this has on clients or providers.

Western Australia

SAAP is managed by the Department of Child Protection (DCP). CAP is managed by the Department of Housing and Works (DHW). DCP regional staff hold responsibility for the contracting and performance management of SAAP. Responsibility for CAP remains with DHW central office.

There are departmental structures to support strategic development and planning for SAAP and CAP. This includes a departmental Joint Officers Group and a State Advisory Committee, comprising sector representatives. Through these structures, DCP guides priorities and planning decisions, based on needs assessment and funding availability. There is a strong working relationship between the two departments in relation to SAAP and CAP (although this is not formalised in any written protocol or Memorandum of Understanding).

There is an understanding and recognition that the two departments have different, but complementary expertise regarding SAAP and CAP. There is also recognition that support and tenancy should be managed separately, particularly within the DHW. However, there are agencies within the SAAP sector that strongly disagree with this position.

What seems to work well	Identified challenges
<ul style="list-style-type: none"> • Formal mechanisms are in place at central government level (between departments and the sector and government) to conduct joint planning. • Planning and decision making is informed by needs assessment. • There is recognition that appropriate support is important in delivering outcomes for clients. Decisions regarding priorities are driven by DCP. 	<ul style="list-style-type: none"> • There are historic problems with managing compliance and underperformance of SAAP and CAP, limited accountability and transparency in managing the performance of SAAP services and how services meet the needs of clients. • There are limited opportunities for joint contracting for SAAP providers managing CAP properties. This can lead to contracting of providers not suitably experienced in property management.