

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

Supported Accommodation
Assistance Program & Crisis
Accommodation Program
Management Arrangements
Discussion paper

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1 Introduction

This discussion paper has been developed as part of a review of current program management arrangements for the Supported Accommodation Assistance Program (SAAP) and the Crisis Accommodation Program (CAP).

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

- the proposed National Affordable Housing Agreement; and
- changes to Commonwealth – State financing.

The review is being undertaken on behalf of the Department of Communities and the Department of Housing.

This section outlines key background information on SAAP and CAP, in the context of this project. This includes a description of the underpinning legislative and policy context for both programs and how they contribute to delivering responses to homelessness.

1.1 Responding 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*¹” is the Queensland Strategy to ensure that homeless people have access to an integrated service system that meets their needs and supports them to participate as part of the community. It articulates a whole of government response to address the health, accommodation and safety issues faced by people who are homeless or at risk of homelessness². The Strategy runs over four years, 2005-09, and will direct an additional \$235.52 million into services across Queensland to enhance existing services and create new ones. The strategy is being implemented by seven State Government agencies and is led by the Department of Housing.

Under the strategy, an additional \$56.5 million has been committed to SAAP targeting services to some of the most vulnerable people in Queensland. This is in addition to the funding provided by the State and the Australian Government under the SAAP V Agreement.

¹ 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

² 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.

1.2 Supported Accommodation Assistance Program

Overview

SAAP was established in 1985 as a national program to provide a coordinated approach for homelessness programs funded by state and territory governments and by the Australian Government. SAAP is Australia's primary response to homelessness. SAAP provides recurrent funding for salaries and operating costs for programs that are associated with the provision of housing and support for people who are experiencing homelessness or are at risk of homelessness.

The Australian Government has the responsibility for leadership and policy development and the states and territories are responsible for day-to-day management of program arrangements. SAAP is administered through five year Multi and Bilateral Agreements between the State and the Australian Government.

In Queensland, the Agreements are held by the Department of Communities. The current SAAP Agreement is SAAP V, and is due to be revised in 2010. The Department of Communities operate under a number of Acts, including the *Family Services Act 1987*, the *Juvenile Justice Act 1992*, the *Domestic and Family Violence Protection Act 1989* and the [Commonwealth] *Supported Accommodation Act 1994*.

Objectives

SAAP programs aim 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”³. It is governed by the *Supported Assistance Act 1994*, which states that the goals of the program are to:

- resolve crisis;
- re-establish family links where appropriate; and
- re-establish a capacity to live independently of SAAP.

The Strategy is aligned to the three National SAAP V priority areas⁴:

- increase involvement in early intervention and prevention strategies;
- provide better assistance to people who have a number of support needs; and
- provide ongoing assistance to ensure stability for clients post crisis.

In addition, a further three priorities have been identified by Queensland, to:

- improve coordination and access to services;

³ Taken from:

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

⁴ Taken from:

http://www.facsia.gov.au/internet/facsinternet.nsf/aboutfacs/programs/house-saapy_strategic.htm on 25th February 2008.

- address unmet need; and
- enhance governance and service quality.

Target group

The target group for SAAP programs is broad and includes young people, families, women and children escaping domestic violence, older homeless men, single women and men and people of Aboriginal and Torres Strait Islander descent.

Many of those requiring support will also be facing a multitude of associated issues often leading them to be of risk of homelessness. These include primary care and mental health problems, drug and alcohol misuse, intellectual disability, involvement in the criminal justice system, involvement with child protection, unemployment and low educational attainment.

Some clients seeking SAAP services will require accommodation and support. Others may just require support to prevent them from becoming homeless. The primary relationship between SAAP clients and service providers is that of support provision within a case management model.

Queensland arrangements

Department of Communities Homelessness Services' Team centrally manages the development and implementation of SAAP funded initiatives in Queensland. Regional Department of Communities Offices are responsible for contract and operational management of the program.

SAAP is a complementary program to CAP. An estimated 87 per cent of SAAP services in Queensland manage CAP funded properties⁵.

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 figures (2005/06) show that, during that year, there were a total of 17,400 SAAP clients. During 2005-06, the total number of days of support was 1,029,840 and the total number of nights accommodation was 465,070⁶.

1.3 Crisis Accommodation Program

Overview

CAP is a specific and discrete program under the Commonwealth State Housing Agreement (CSHA). 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 need⁷. CAP was first introduced as an identified program under the CSHA in 1985, during the same year that SAAP was launched.

⁵ Source: administrative data from Department of Housing and Department of Communities, 2007.

⁶ 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 Taken from <http://www.aihw.gov.au/publications/hou/saapndcar05-06qld/saapndcar05-06qld.pdf> on 7th March 2008.

⁷ AIHW (2006) *Crisis Accommodation Program 2005-06: Commonwealth State Housing Agreement national data reports* Canberra: AIHW

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. Thus, the program provides capital funding and grants to complement the recurrent funding for salaries and operating costs provided by SAAP.

In Queensland, CAP operates within the framework of the 2003-2008 Multi and Bilateral Agreements between the Queensland Government and the Australian Government. Department of Housing has responsibilities under the *Housing Act 2003 and the Housing Regulation 2003*. Only organisations registered as housing providers under the *Housing Act 2003* can deliver services funded by CAP. CAP funding cannot be allocated without evidence that support is in place for clients in CAP properties.

Objectives

The objective of CAP is to provide accommodation to persons who are homeless, at risk of homelessness, in crisis or in need of transitional support in the move towards independent living.

Target group

People who are eligible to receive assistance through CAP services are those who are homeless, at risk of homelessness, in crisis, or in need of transitional support in the move towards independent living⁸. This encompasses the same target groups for SAAP services, outlined above. In particular, the program targets groups including families, young people, singles, people escaping family violence and Aboriginal and Torres Strait Islanders.

Unlike SAAP, the primary relationship that CAP providers have with clients is for tenancy arrangements.

Queensland CAP program arrangements

Within Department of Housing, the responsibility for planning and management of CAP predominantly sits within the Community and Public Housing Division. The Housing and Policy Strategy Division also hold some responsibility for strategy and policy development for the program.

Not for profit organisations, local governments and Aboriginal or Torres Strait Islander Councils are eligible to be considered for CAP funding to provide services. To do so they must be registered under the *Housing Act 2003*. There are clear guidelines about use of funding which includes the requirement for providers to demonstrate that they receive complementary funding from SAAP or another source to provide support to their clients.

CAP properties are owned by Department of Housing, head leased from the private market and others are owned by the organisation providing the service.

The 2006-07 CAP budget was \$35.5 million. This is broken down in categories of use: construction (\$5.5 million), spot purchasing (\$13.6 million), land development (\$9.3 million), grants (\$3.1 million) and capital grants (\$4 million). In 2005, there were 1,064 CAP properties

⁸ These individuals are referred to in contracts and agreements as "eligible persons".

in Queensland. It is estimated that 10,188 households will have been assisted by CAP in 2006-07⁹.

1.4 Context for the review

The need for a review of program management arrangements has been identified through recent reports that recommended exploration of the effectiveness of the current program management arrangements in delivering integrated and coordinated service for clients. These reviews are:

- A Service Delivery and Performance Management Review of the Department of Housing (September 2007) which found that more needs to be done to effectively manage the two programs across the two government agencies¹⁰.
- The mid-term review of *Responding to Homelessness*, (September 2007) which recommended strengthening the policy coordination components of the Response and addressing confusion about the relative roles of the administering agencies¹¹.

The outcome of the review will be the identification of options for 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.

The increasing complexity of need in many client groups is leading government departments to look more closely at how the structure and management of programs can better address needs. This requires connections across government at all levels whilst minimising the burden on providers and clients.

1.5 Purpose of the paper

This paper outlines key considerations relating to the current government program management arrangements for the SAAP and CAP programs. It is not a review of the departments per se or of direct service provision for clients.

The paper is informed through consultations with stakeholders in the Departments of Communities and Housing and with a sample of service providers. It is intended to be the starting point of discussions with a wider stakeholder group.

The purpose of the paper is to:

- provide information about the current program management arrangements;

⁹ Department of Housing and Department of Communities (2007) 'A review of Supported Accommodation Assistance Program and the Crisis Accommodation Program', internal Government review.

¹⁰ 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

¹¹ 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.

- enable informed consideration and discussion of how program management influences client outcomes, service delivery and government strategy objectives; and
- provide a starting point for discussion with a wider stakeholder group about how current program management arrangements could be improved.

The paper does not deal with other issues relevant to SAAP and CAP as these are outside the scope of this project.

Stakeholders will be consulted to further explore the points for discussion presented in this paper.

1.6 Structure of this paper

This report is structured as follows:

- **Section 2:** Describes the key elements of program management and outlines current program management arrangements of SAAP and CAP through Department of Housing and Department of Communities. Current intersections between the two Departments, regarding SAAP and CAP are also outlined.
- **Section 3:** Discusses the elements of program management and describes the current arrangements for each element. This section identifies points for discussion regarding the current program management arrangements, as well as current strengths and opportunities for improvement.
- **Section 4:** Identifies a number of key focus areas and parameters for change that need to be explored further to enable the development of options for improvements to program management arrangements in the future.
- **Section 5:** Explains how to respond to this discussion paper to inform the development of options for future program management arrangements.

2 Current program management arrangements

This section describes the current program management arrangements for the SAAP and CAP programs through each Department.

2.1 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. An overview of critical program management elements is given below, within the context of SAAP and CAP.

Strategy and policy development

Strategy and policy is an articulation of the way in 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 about how to achieve outcomes, based on priorities and impact of actions. Clearly articulated strategies and policies set the overarching direction and provide importance 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, in response to either government policy, identified community needs or both. They are also 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 policy advisor can include but are not restricted to:

- determining and evaluating community outcomes;
- deciding broad priorities and developing policy parameters;
- managing long-term strategic planning¹² 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.¹³

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

¹² This includes the identification and specification of service gaps, changing needs and emerging needs.

¹³ Funder, Owner, Purchase, Provider – Exploring the Concepts: A GMF Discussion Paper, FOPP Working Group, State Government of South Australia, June 1997, p10.

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.

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, resource allocation and purchasing arrangements

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.

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.¹⁴

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.

Contract management

In programs 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 conditions and documenting and agreeing any changes that may arise. It is also 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 also a mechanism for ensuring that services are delivering a quality of 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.

2.2 Program management arrangements for SAAP and CAP

Within the Department of Communities, responsibilities for SAAP are shared between Central and Regional Offices. Program management of CAP sits centrally with the Department of Housing.

¹⁴ 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.

Centrally, both Departments have responsibility for:

- negotiating the Multi- and Bilateral 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;
- administering funding, determining allocations and preparing financial statements to the Australian Government;

In relation to the SAAP program, Regional Department of Communities 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.

These program management functions are administered by the Central Department of Housing for CAP.

Regional Offices in both Departments also have broad stakeholder management responsibilities within regional areas and attend local Regions and networks that include some representation from the SAAP CAP Sector.

2.3 Current intersections between programs

There are a number of intersections at which the Queensland Department of Communities and Department of Housing interact with regard to the SAAP and CAP. A number of these mechanisms were created specifically to respond to the *Responding to Homelessness* Strategy.

The Joint Officers' Group is the main structure through which the two Departments intersect in relation to SAAP and CAP. This group is made up of representatives of both Departments and has responsibility to oversee the joint strategic and operational program planning for SAAP and CAP; identify, prioritise and oversee strategic policies; and coordinate reform processes. There are also a number of Committees and Groups at Chief Executive Officer level where there is an interface.

An interim Memorandum of Understanding (MOU) exists between the Department of Communities and the Department of Housing. This clarifies the inter-Government roles and responsibilities for the SAAP and CAP programs and the interface between the two programs. The Department of Communities also has a number of MOUs with other government

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

There are also a number of regional and local planning structures and networks which provide varying levels of intersection between SAAP and CAP. These structures have different local priorities that will impact on the focus that is placed on SAAP and CAP (and other program areas). Two key regional structures are the Regional Community Housing Networks and the Regional Manager Community Networks.

3 Identified program management considerations

The points identified for discussion are presented under five elements of program management. These elements were identified as useful thematic areas to 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.

It is generally contended that as complementary responses to homelessness and crisis, SAAP and CAP should be managed and delivered in a way that:

- recognises that many clients are clients of both programs;
- is able to make the best use of resources, including dwellings and support, to meet the needs of clients;
- is responsive to the changing needs of individual clients, as well as changing demographics and contexts of homelessness and crisis;
- enables a coordinated response to clients, recognising that many people experiencing homelessness or crisis have a number of different areas of need; and
- supports people experiencing homelessness to become as self reliant and independent as possible.

3.1 Strategy and policy

3.1.1 Strategy and policy development processes

CAP

The Department of Housing's Strategic Plan informs the direction for the Department's operational plan, service area business plans and corporate support plans. This represents an integrated planning and performance framework which ensures that all planning activities and resource decisions are driven by one strategic direction. At all levels of departmental planning, the framework outlines four components - plan, resource, do and review.

The current key policy direction for the Department of Housing is the move towards the One Social Housing System (OSHS). This policy represents the Queensland Government's dedication to achieving its objectives around crisis and transitional housing (largely focusing on medium and longer term housing options). Objectives include having a simple entry points for

clients to access the range of housing assistance; having one waiting list for community and local government housing providers; and prioritising those with the highest need. CAP and SAAP currently are not well integrated with the OSHS.

SAAP

In the Department of Communities, the Strategic Policy and Evaluation directorate takes the lead in developing strategy and policy. There are a number of organisational planning structures that inform the Department's Strategic policy, which is articulated in the strategic Plan. This is currently being reviewed and updated to reflect current changes in the Department.

Strategy and policy direction for SAAP is guided by the *Responding to Homelessness* Strategy, as well as by the National Homelessness Strategy and the objective outlined in the Multi- and Bilateral SAAP Agreements. These strategic documents are used as source documents to guide operational briefings and to inform individual business plans of teams responsible for SAAP program management.

The review has found that while both Departments have their own robust strategy and policy planning processes, there is no current formal process for joint planning or engagement in each other's planning process.

3.1.2 Points for discussion identified in current arrangements

The following points were raised by stakeholders:

- **Program alignment and understanding.** Stakeholders interviewed reported that although there were good relationships and a number of mechanisms for engagement across both departments at the central agency strategy and policy level, this has not translated to common goals and understanding for SAAP and CAP at a planning and operational level.
- **Effectiveness of joint departmental mechanisms.** It was reported that mechanisms currently in place between the two Departments (e.g. the MOU and the JOG) are not effectively supporting alignment of the two programs at a strategic level.
- **Effective communication processes.** A number of stakeholders reported that, under current arrangements, there are no processes to address systemic issues that arise between SAAP and CAP and no forum for sharing information and insight at an operational level.
- **Program delivery models.** The different management structures and models of the two Departments (centralised in Department of Housing and decentralised in Department of Communities) has created challenges for establishing a more aligned and effective process for planning, delivery and contract management at regional and local levels.
- **One Social Housing System.** Currently, SAAP and CAP services sit outside the OSHS. It was reported that this has implications for developing a service system that can be responsive to meeting the accommodation and support needs of clients and prioritising clients with the highest and most complex needs.

Strengths of the current arrangements:

- Each Department has robust processes in place to develop strategy and policy in relation to their respective programs.
- There is recognition from both programs that there is a need to establish a stronger interface between the two agencies.
- The establishment of the MOU and the Joint Officers Group are examples of mechanisms that have been introduced to improve the interface between the Departments

Opportunities for improvement:

- There is a strong need to ensure that legislation and policy drivers are well understood by both programs at all tiers of operation. This may require the development of joint policy and strategy statements and communication protocols across the programs.
- There is a need to more clearly articulate where the programs intersect from a planning and delivery perspective to enable a better understanding of how planning and delivery processes could be more effectively aligned and integrated.
- A more aligned approach to strategy and policy development with the articulation of shared common goals would enhance program planning and decision making capacity.
- Any integration and alignment of processes needs to be considered at central, regional and local levels to be effective.
- There is a need to review the effectiveness of the mechanisms (MOU, JOG) that have been established to improve the interface to ensure they are meeting objectives.

3.2 Needs assessment and planning

3.2.1 Current needs assessment and planning processes

CAP

Needs assessment and planning for CAP is currently the responsibility of the Program Management Team in the Department of Housing. There are two components to needs assessment and planning, these relate to planning for capital funding and for recurrent funding.

Processes for capital funding (including purchasing, construction and upgrades) involve developing a rolling three year plan to identify capital requirements. However, this process is being reviewed as in recent years construction and purchasing has been limited to replacing existing properties only. There has been no overall expansion in CAP properties as there has not been sufficient available SAAP funding to provide support for new services.

Regional Service Offices provide information about which properties require upgrade to inform the rolling plan. They also feed in local knowledge and information to the Program Management Team that indicate actions for the rolling plan, such as the need to relocate a service due to 'neighbourhood fatigue'.

Needs assessments and planning for recurrent funding (for head leasing of properties) is informed by an annual request for information from the services receiving recurrent funding. The Department of Housing requests each service to identify the number of properties they require recurrent funding for in the forthcoming year. Information relating to changes in recurrent funding is provided to Department of Communities Regional Offices through the Department of Housing Regional Service Officers and also through the Officer's Group.

The Department of Housing has just implemented Regional Planning Profiles which collate Department of Housing data relating to geography, indigenous populations, socioeconomic status, immigrants, housing waiting lists and housing stock. These Plans will be used to inform planning for capital and recurrent funding in the future. It is intended that the Department of Communities information will be overlaid onto this Plan to provide more robust information for planning purposes across both programs.

All stakeholders expressed the concern that the success of needs assessment and planning to meet local need was highly dependent on the strength of the relationships of staff on the ground.

SAAP

The Department of Communities utilises two main mechanisms for needs assessment and planning for SAAP; the Needs Based Allocation Framework and local needs assessment and mapping processes.

The Needs Based Allocation Framework is a work in progress and provides a guidance tool for resource allocation across the whole Department. The framework provides an evidence base, drawing on data from across Government that is gathered through the COMSIS database. This database has been negotiated and contracted through the Queensland treasury and includes a mix of nationally available data and statewide data.

Information in the Needs Based Allocation Framework is supplemented through information provided by the regional offices, gathered through local needs assessments and mapping exercises.

Currently, information from both sources is collated on a rolling basis with the intention of moving to an annual cycle. The information is used to inform key documents for strategic planning regarding SAAP and ultimately will inform decisions around resource allocation for priority areas. Planning is also supported by Key Evidence Groups, with representatives from central and regional offices and expert groups. The Key Evidence Groups explore what local areas should be trying to achieve, based on the needs assessment, and how the achievements can be measured.

Currently information from the Department of Communities regarding needs assessment is shared with the Department of Housing when it is ready for release in a publicly available form, such as a funding information package for a new service. Part of the reason identified for this is

the strict licensing rules for use of the COMSIS database which govern what information can be used for and how it can be shared.

3.2.2 Points for discussion identified in current arrangements

Stakeholders identified the following points:

- **Lack of shared information base to support decision-making.** The most common issue cited was the lack of a shared information base upon which to support integrated planning processes at all tiers of the two programs.
- **Impact of independent decision-making.** It was reported that Departments sometimes make decisions in isolation. This may result in resources not being utilised in the most appropriate manner or service responses that are not as effective or efficient as they could be.

Strengths of current arrangements:

- Each program has clearly articulated processes for assessing need that links into program planning cycles.
- There is strong commonality across processes.
- There has been a focus on improvements to data collection within SAAP to provide more robust information to support planning decisions.

Opportunities for improvement:

- There is a need to consider the development of a standardised, joint planning process across CAP and SAAP that:
 - uses agreed and common whole of system information and data to support demand management and planning processes;
 - aligns planning cycles across the two programs;
 - considers system wide impacts of additions or changes to the existing programs;
 - matches coordinated resources of CAP and SAAP to more appropriately achieve the best outcomes for clients;
 - is informed by a common understanding of best practice;
 - establishes mechanisms to support planning at a local, regional and central level; and
 - establishes protocols to guide areas of joint decision making in response to shared clients.
- Consideration could be given to developing a cross program common needs assessment tool or the identification of common factors / elements of interest within the assessment to enable the collection of consistent information to support decision making with regard to priority of access to services, functional and support requirements and accommodation needs.
- Any adjustments to planning mechanisms need to consider appropriate linkages with wrap around services, such as mental health, corrections, alcohol and drug and primary health that are required to offer holistic support for the specific, often complex needs of the SAAP and CAP client group.

3.3 Funding, resource allocation and purchasing

3.3.1 Current funding, resource allocation and purchasing arrangements

CAP

CAP is jointly funded by State and Commonwealth Government under the 2003 CSHA which is operational from 2003-08. Commonwealth funding for CSHA programs runs until 30 June 2008, when the current agreement expires. CAP funding can take the form of recurrent funding, for example for head lease grants and capital funding, or for constructing new properties.

Funding, resource allocation and purchasing for CAP is conducted by a number of different teams in Department of Housing. The Program Management Team makes decisions about capital and recurrent funding through the processes described in section 3.2 above.

For recurrent funding, the Program Support Unit (under Performance, Management and Compliance) prepares a schedule detailing the providers, numbers of properties and the amount of funding for each year. This is sent to the Director General for sign off, with background information on the services, provided by the Program Management Team. Following approval, the Program Management Team prepares letters for providers and arranges for the legal Agreements to be prepared for signature by the CAP providers. Funding is distributed by the Grants Team.

SAAP

SAAP is jointly funded by the State and Commonwealth Government under SAAP V Agreement. SAAP V funding runs until 2010. SAAP grants are allocated to Community Service Organisations to provide transitional supported accommodation services. Funding is awarded against three year contracted arrangements, at which time the contract renewal process identifies whether to continue funding the service.

Given the nature of service provision, SAAP funding is primarily recurrent in nature. While the Department does have internal processes in place for reallocating any saved funding that is not utilised, it is reported that no funding has been able to be reallocated into new services for a number of years. However, the Department is currently working towards new funding initiatives to ensure that funding is allocated to areas that are indicated to be most in need, as identified through the Needs Based Allocation Framework. This will enable a move away from a system of historical funding to a system of needs based planning and funding.

Ministers sign off funding for new SAAP services, following assessment of applications by the Regions. Regions also manage recurrent funding (see section 3.4.1) and are responsible for making payments to SAAP providers.

It is understood that some SAAP services also receive non-recurrent funding through funding rounds from other agencies, to address specific needs of their target groups. For example, SAAP services can apply for one off funding to enhance services during 'Domestic and Family Violence Prevention Month'.

3.3.2 Points for discussion identified in current arrangements

The following points were identified by stakeholders:

- **Funding decisions.** Stakeholders indicated difficulties associated with decision-making and communication regarding funding for the purchase of new properties that may result in the development of services which do not entirely meet the needs of a local community.
- **Matching of resources.** Joint decisions regarding funding become increasingly important when the availability of funds is not well matched. A mismatch of funds between SAAP and CAP has the potential to restrict how either program can expand and contribute to an improved service system.

Strengths of current arrangements:

- Each program has established processes for funding and resource allocation.
- There is considerable commonality in both programs processes.
- There are examples of the programs working together through joint planning and contracting arrangements for new services.
- Services are able to work together to jointly establish housing and support arrangements to meet the needs of local communities. There are no legislative or policy barriers to this, it is more reliant on the strength of local structures, engagement and relationships.

Opportunities for improvement:

- Exploration of good practice examples where the programs have initiated joint arrangements should be investigated to understand why they have been effective and whether there is opportunity for further implementation of these processes.
- Whilst the programs have different funding and reporting accountabilities there is opportunity to target specific service elements where the programs most commonly intersect to establish joint funding mechanisms.
- Joint funding capacity needs to be supported by common needs assessment and planning cycles.

3.4 Contract management

3.4.1 Current contract management processes

CAP

CAP service providers enter into an “Assistance Agreement” with the Department of Housing that comprises several components that together form the Agreement. The components are a

head agreement¹⁵, program specifications and, for recurrent funding, a funding schedule. The Agreements are managed and maintained by the Service Delivery Team of Community and Public Housing.

SAAP

The Department of Communities, through the provision of service agreements contracts Community Service Organisations (CSO) to provide services. The service agreement is standard for all providers and a Service Plan is attached that is tailored to each service program provided by the CSO which identifies the funding allocated. Contracting is conducted by the Regional Offices, who also have responsibility for contract and performance management (see section 3.5.1, below).

Both Departments' agreements establish the compliance, reporting and service provision requirements that underpin delivery within both programs. Where a single provider is contracted to deliver both SAAP and CAP programs, the provider will enter into contractual arrangements with both Departments separately.

Contracts for both programs operate on a three-year cycle, with renewal or, less frequently, re-tendering, processes at the end of the three year period. These processes are linked to performance management and compliance processes.

3.4.2 Points for discussion identified in current arrangements

Stakeholders identified the following points:

- **A recent focus on improvements.** Stakeholders report that there has been a move towards improved joint contracting processes for new accommodation and support programs.
- **Communication regarding contractual issues.** This is reported to be done on a case-by-case basis, rather than as a routine part of contract management and renewal.
- **Shared contract requirements.** A number of contractual requirements are stipulated by the requirements of the complementary program. Compliance with regard to these requirements is currently not shared across programs.
- **Duplication of obligations.** A number of providers have dual agreements with both CAP and SAAP, creating compliance burden and the duplication of reporting to each program.

¹⁵ This includes a capital funding agreement and either a service funding agreement or a lease.

Strengths of current arrangements:

- Both programs have robust contracting processes.
- There is alignment across the programs in terms of the contract cycle – both programs operate on a three year renewal period which supports opportunities for joint contracting arrangements.

Opportunities for improvement:

- Strong, regular communication mechanisms between programs regarding contracting processes must be in place to:
 - ensure delivery of the complementary programs do not conflict;
 - appropriately inform planning to create a responsive, integrated service system that addresses population need;
 - ensure that service providers meet requirements for both programs; and
 - align program objectives and outcomes.
- There is a need to consider opportunities for joint contractual arrangements for providers with agreements with both the Department of Housing and the Department of Communities. This should consider alignment of compliance and reporting requirements to reduce the administrative burden on service providers and the provision of common, timely information to both programs.
- There is a need to consider how to more effectively utilise the ‘contract’ or ‘Agreement’ as a performance management and improvement tool.

3.5 Performance management and reporting

3.5.1 Current performance management and reporting arrangements

CAP

CAP providers report to Department of Housing centrally, on an annual basis. These reports form the basis of performance management arrangements. Reporting requirements include:

- an annual financial return;
- an annual report explaining how Assistance Agreement obligations have been met; and
- periodic, financial reports as specified in Service Schedules.

National reporting on CAP programs sits under general reporting on programs delivered under the wider CSHA. Unlike other CSHA programs, CAP is not included in the CHSA's National Reporting Indicator Framework.

The Australian Institute of Health and Welfare (AIHW) produce annual reports on CAP programs across all jurisdictions to compare a number of measures including, total number of dwellings, new constructions, deletions from stock, capital expenditure and assistance to households, including Indigenous households.

SAAP

Reporting arrangements for SAAP programs are more specific at the national level. The state must report to the Australian Government annually against measures agreed in the bilateral agreement. Services must also report administrative data, including client data, to the National Data Collection Agency, auspiced by the AIHW. This data is collated into the annual SAAP reports that examine SAAP delivery nationally and in each State.

Performance management of SAAP services is conducted at a regional level, through contract management processes with CSOs. Informally, performance management occurs through regular communication and visits between Regional staff and service providers. Formal performance management occurs through quarterly and annual reporting requirements and at renewal periods at the end of a three year service agreement. SAAP services are required to provide:

- an annual statement of income and expenditure;
- an annual report or audited financial statement;
- quarterly performance reviews and financial returns; and
- performance and progress appraisals.

Services are monitored against performance measures that specify inputs, outputs and timeframes, as well as measures of outcomes, quality, efficiency and effectiveness.

3.5.2 Points for discussion identified in current arrangements

The following points were identified by stakeholders:

- **Duplication of arrangements.** The existing performance reporting arrangements are reported to serve the requirements of the different programs at State and national levels. However, there are concerns that the structure is duplicative and can be onerous and confusing for service providers, particularly those who provide both CAP and SAAP services.
- **Balance of reporting.** Stakeholders expressed the view that a strong focus solely on financial reporting for CAP does not allow key information such as numbers of clients, sources of referrals and exit points to be captured on the effectiveness of the service.

- **Contract management versus relationship management.** There is an inherent tension for regional staff having to manage a relationship with providers that requires both trust building, support for service improvement and capacity building as well as formal funding and contract management processes.
- **Managing poor performance.** Discussions between Departments about performance issues that impact on the complementary programs are reported to not be held in a timely way. This may place unnecessary strain on the complementary program, if actions are not taken early on to address any potentially negative impacts.

Strengths of current arrangements:

- There is some cross over in reporting requirements for the two programs which provides opportunities for joint arrangements and/or sharing of information.
- There are informal mechanisms operating between the programs to address reporting and performance management issues on a case by case basis.

Opportunities for improvement:

- Articulation of each agencies roles and responsibilities with regard to monitoring of service activity and performance would help delineate functional accountability where contracts are maintained by both programs with the same provider.
- There is opportunity to align some elements of performance reporting – for example annual financial returns.
- There is need to consider the development of a common data set to more effectively inform program activities from planning through to monitoring and reporting requirements.
- There is a need to build on the current quality assurance focus for performance monitoring and reporting and move towards establishing reporting capability that supports quality improvement and sector capacity building.
- The development of program performance measures more focused on program outcomes would provide a stronger focus on service improvement.

4 Summary and next steps

Preliminary consultations with a limited number of stakeholders have highlighted a range of issues with the current SAAP and CAP program management arrangements.

The next steps for the review are to develop a number of options for future program management arrangements of SAAP and CAP. In developing the options, the following will be considered:

- issues identified to date and presented here;
- further issues and potential solutions identified through regional consultations and responses to this issues paper;
- consideration (as far as possible) of future Australian Government directions in homelessness, housing and funding frameworks; and
- evidence of examples from program management of SAAP and CAP in other jurisdictions.

It is worth noting that a range of administration options are currently in place in other jurisdictions. Four jurisdictions manage SAAP and CAP from the same government agency and four (including Queensland) manage the programs from different agencies. Evidence that is available on the effectiveness of these arrangements suggests that there are issues and challenges inherent with both arrangements.

Analysis of the issues outlined in this report suggests a number of key focus areas and parameters for change that need to be explored further. This will help to unpack how improvements to program management arrangements could best be implemented to improve client outcomes, program effectiveness, efficiency and alignment and to better achieve government priorities.

The key focus areas are:

- **Parameters for change.** It will be important for both Departments to agree a set of criteria against which to guide decision making around any proposed changes to program management arrangements. To date, views from both programs have been relatively polarised, therefore underpinning principles and criteria will be important to ensure a transparent rationale for change.
- **Taking a forward view.** Any changes recommended to current arrangements need to take a forward view and consider future State and Australian Government policy objectives and directions.
- **A systemic approach.** The consultations to date have highlighted an array of arrangements that occur in an ad hoc manner across the various program management elements and are highly dependent on local relationships and good will. Any changes to the program management structures must take a systemic approach and seek to embed agreed, consistent processes across the programs at all levels of operation.

- **Tiered approach.** It is apparent through the issues identified in this paper that the establishment of optimal program management arrangements must be considered at central, regional and local levels for change to be effective. The CAP and SAAP programs interface at a range of different planning and delivery tiers in a variety of ways across the State. Therefore, only addressing program management arrangement issues at a central level is unlikely to lead to improvements in service to clients. Arrangements, mechanisms and processes need be explored at each of these tiers to begin to identify how improvements in program delivery can be brought about. This requires exploring planning, decision-making, contracting, performance reporting, relationship management and networking mechanisms to identify where opportunities exist.
- **Alignment with the OSHS.** A key priority in both the homelessness and housing sectors is the need to create a service system that is effective, efficient and responsive to the changing needs of clients. Central to this is understanding how clients move through various parts of the service system and aligning services to be able to deliver a more seamless and effective continuum of care. The main policy driver currently for the Department of Housing is the move towards the OSHS. The aim of OSHS is to prioritise and rationalise entry to public housing, create parity, equity and transparency in the allocations process and ensure that those most in need are able to access housing.

At the crisis and transitional end of the housing system, SAAP and CAP providers are under pressure to respond to increasing demand. This necessarily drives a focus on efficiencies and innovative approaches. However, CAP and SAAP will continue to struggle to meet demand and to move people out of crisis and transitional accommodation if there are no clear exit points into alternative accommodation. For some clients, this will require exiting into community or public housing. With this in mind, the review needs to further explore how CAP and SAAP fit into a wider system of housing and support and what management arrangements will be required to support this.

- **A whole of government response.** Consideration needs to be given to the role and influence of other agencies in delivering outcomes for SAAP and CAP clients. Many clients have a range of different needs, requiring the input of specialist services that fall under the jurisdiction of other government departments, such as health and corrective services. The integration of these services in supporting SAAP and CAP clients becomes increasingly important when providers are under pressure to move clients through crisis and transitional services and into other accommodation and support options. Any changes to program management arrangements need to consider the intersections with these other programs and ensure that program management arrangements seek to optimise and strengthen cross agency coordination and responsiveness.

Further investigation around these areas is warranted as part of developing recommended options for any future changes to the program management arrangements.

A Regional Forums

The regional forums will be held as follows.

Location	Date and time	Venue
Cairns	17th March 10:30 am – 1.30 pm	Cairns City Library Corner Abbott and Aplin Streets, Cairns
Brisbane	18th March 10.00 am – 1.00 pm	Riverside Centre 50 Oxlade Drive, New Farm
Caboolture	18th March 10:30 am - 1:30 pm	Morayfield Community Hall 298 Morayfield Rd, Caboolture
Rockhampton	19th March 10.00 am – 1.00 pm	Rockhampton Leagues Club, Corner of Cambridge and George Streets, Rockhampton
Ipswich	19th March 1.00 pm – 4.00 pm	Ipswich North Child Safety Service Centre 18 - 24 Brisbane St, Ipswich
Townsville	20th March 10.00 am – 1.00 pm	Community Renewal North Queensland Office, Department of Housing, Level 2 / 143 Walker St, Townsville
Gold Coast	20th March 10.00 am – 1.00 pm	Community Renewal Office, Department of Housing, 80 Bazaar St, Robina Note: the office is located within the Robina Town Centre complex, close to the Kmart Car Park.

B Response paper

The need for a review of program management arrangements has arisen following recent exploration of the effectiveness of the current approaches in delivering integrated and coordinated services for clients across and between SAAP and CAP.

This discussion paper represents a summary of points that have been identified relating to the current government program management arrangements for the SAAP and CAP programs. It is not a review of the departments per se or of direct service provision for clients.

This response paper provides a means to feed back views on the identified points for discussion and associated opportunities for improvements. Your responses are invited under the five elements of program management. These elements were identified as useful thematic areas to guide the review. The program management elements are:

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

Your responses are specifically sought in connection with how program management arrangements at government level impact on:

- providers of SAAP and CAP services; and
- SAAP and CAP clients.

1. Strategy and policy

a. What are the strengths in current strategy and policy development arrangements?

b. What are the weaknesses?

c. What are the opportunities to improve strategy and policy development?

d. If this element of program management was working more effectively what would be different?

2. Needs assessment and planning

a. What are the strengths in current needs assessment and planning arrangements?

b. What are the weaknesses?

c. What are the opportunities to improve needs assessment and planning processes?

- d. If this element of program management was working more effectively what would be different?

3. Funding, resource allocation and purchasing

- a. What are the strengths in current funding, resource allocation and purchasing arrangements?

- b. What are the weaknesses?

- c. What are the opportunities to improve funding, resource allocation and purchasing processes?

- d. If this element of program management was working more effectively what would be different?

4. Contract management

- a. What are the strengths in current contract management arrangements?

- b. What are the weaknesses?

- c. What are the opportunities to improve contract management?

- d. If this element of program management was working more effectively what would be different?

5. Performance management and reporting

- a. What are the strengths in current performance management and reporting arrangements?

b. What are the weaknesses?

c. What are the opportunities to improve performance management and reporting?

d. If this element of program management was working more effectively what would be different?

Thank you for completing this quick response form.