



**Homelessness NSW**



## **Contracting non-government organisations – Audit Office Report**

The Auditor-General for New South Wales has released a report on how the Department of Family and Community Services (FACS) is contracting non-government organisations (NGOs) to deliver community services in the Permanency Support Program and Specialist Homelessness Services (SHS).

The Report is critical of FACS for:

- failing to go to open market
- ineffective processes for managing performance and quality
- being unable to measure client outcomes
- having incomplete data to manage continuous improvement.

Homelessness NSW and Yfoundations met on separate occasions with the Audit Office in February 2019 to discuss the Review, however, the Audit Office failed to arrange a meeting with Domestic Violence NSW to do the same. Homelessness NSW and Yfoundations provided the Audit Office with all of the submissions made to the Minister and FACS since the Going Home Staying Home reforms (the last 'testing' of the market) on improving the SHS Program since 2015. This included information on Program design, the tender process, accreditation and outcomes measurement. We raised issues regarding the impact of the reforms including:

1. loss of specialist services including Aboriginal Community Controlled organisations, CALD organisations & services for people leaving custody;
2. creation of gaps in the service system particularly for women and children escaping domestic and family violence and young people;
3. meaningless contract requirements such as high, medium, low service delivery;
4. complexity of measuring outcomes when confining this to homelessness services only; and
5. increase in client numbers over the contracted number by more than 30%.

It is disappointing that none of this information appears to have been taken into account in the Report.

The SHS Program provides support to over 71,000 clients per annum and is aware of the limited outcomes that are provided to these clients. 2 in 5 clients who contact homelessness services are unable to access crisis accommodation due to lack of availability and 2 in 3 clients who need long term accommodation are unable to secure this even with the support of a homelessness service because of a lack of available social housing and unaffordable private rental market.

The recommendations suggested by the NSW Audit Office will not address these issues and, if the impact of the Going Home Staying Home reforms is taken into account, may in fact worsen outcomes and quality of support for clients.

In order to deliver better outcomes for SHS clients the priority for the NSW Government needs to be the delivery of additional social housing and a redress of the gaps and issues within the SHS Program created by Going Home Staying Home. The peaks have recommended this to four FACS Ministers and the Department since 2014.