

Victoria's Homelessness Response

September 2020

Independent assurance report to Parliament
2020–21: 3

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Independent assurance report to Parliament
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Victorian Auditor-General's Office

The Hon Nazih Elasmr MLC
President
Legislative Council
Parliament House
Melbourne

The Hon Colin Brooks MP
Speaker
Legislative Assembly
Parliament House
Melbourne

Dear Presiding Officers

Under the provisions of the *Audit Act 1994*, I transmit my report *Victoria's Homelessness Response*.

Yours faithfully



Andrew Greaves
Auditor-General

17 September 2020

The Victorian Auditor-General's Office acknowledges Australian Aboriginal peoples as the traditional custodians of the land throughout Victoria. We pay our respect to all Aboriginal communities, their continuing culture and to Elders past, present and emerging.

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Audit snapshot

Has the Department of Health and Human Services (DHHS) reduced the incidence and impacts of rough sleeping through the *Homelessness and Rough Sleeping Action Plan* (HRSAP)?

Why this audit is important

People experiencing chronic homelessness or sleeping rough are among the most vulnerable in our community. They often face significant disadvantage including issues that worsen over time, such as poor mental and physical health and substance misuse. Studies have found rough sleeping can reduce life expectancy by up to 30 years.

Each year approximately 8 600 Victorians will sleep rough at least once. On the last Census night in 2016, 24 800 people were homeless and 1 100 were sleeping rough.

Since 2014, the Victorian Government has invested over \$1.4 billion to address homelessness.

What we examined

Implementation of key elements of the state government's \$45 million HRSAP.

Who we examined

DHHS and three specialist homelessness services (homelessness services) funded by DHHS to deliver HRSAP programs:

- Haven; Home, Safe (Haven)
- Launch Housing (Launch)
- Neami National (Neami).

What we concluded

While the audited entities have achieved some positive outcomes for clients, DHHS does not know whether HRSAP programs are reducing the incidence and impacts of rough sleeping in Victoria.

Poor planning, a lack of agreed goals and limited performance monitoring mean that some people who could have been housed may still be sleeping rough.

Key facts

Homelessness services in Victoria 2018–19

112 919

Victorians were referred to or sought assistance from a homelessness service



This accounts for

39%

of people who received support nationally

Victoria spends less than average on social housing per capita 2018–19



Sleeping rough

Approx.
1 100
people were estimated to be sleeping rough in Victoria each night
2016

Approx.
8 600
Victorians will experience an episode of rough sleeping and make use of government funded specialist homelessness services
2018–19

What we found and recommend

We consulted with the audited agencies and considered their views when reaching our conclusions. The agencies' full responses are in Appendix A.

Planning and implementation

Service agreements

DHHS has a responsibility to oversee how homelessness services spend public money and to gain assurance that they effectively deliver funded services for HRSAP programs. It does this through service agreements.

DHHS's service agreements with the audited entities are not specific to HRSAP. They are broad agreements that include other funding streams and targets, and do not clearly identify HRSAP program deliverables or performance measures. This means that DHHS cannot effectively monitor the performance of the audited entities for HRSAP programs.

Governance and risk

DHHS did not develop an implementation plan to guide the delivery of HRSAP or set clear milestones and responsibilities for the entities delivering HRSAP programs.

HRSAP states that the 'Victorian government is committed to transparency and accountability to the community in the delivery of this action plan and the future reform of the specialist homelessness service system'. HRSAP specifically notes the establishment of an advisory committee to do this. A Ministerial Advisory Committee (MAC) was established with the MAC reporting solely to the Minister for Housing.

Governance arrangements for HRSAP within DHHS are largely informal. DHHS does not report to its executive board or the Victorian community on the progress of HRSAP. This diminished oversight and accountability for the delivery of HRSAP is concerning given it is described as 'the foundation' of the government's strategy to reduce and prevent homelessness. The lack of governance arrangements and reporting has contributed to DHHS's ineffective monitoring of the program's performance.

DHHS did not develop a risk management plan or risk register for HRSAP. It therefore missed an opportunity to anticipate and mitigate risks which could jeopardise the success of HRSAP, including delays in building modular housing units.

Program guidance

DHHS did not develop program guidance before HRSAP programs began in January 2019. Consequently, audited entities had to refer to procurement documentation to find out their expected deliverables. The procurement documentation did not outline governance requirements for assertive outreach and supportive housing.

DHHS released guidance in March 2019 to 'ensure quality and consistency in the delivery and practice response across the state'. But the guidelines include the following statements that do not reflect the contracted agencies' service agreements:

- Assertive outreach activities will 'guarantee a pathway to long-term housing and personal stability'.
- Flexible brokerage will provide 'rapid access to emergency accommodation for 100 per cent of people sleeping rough who request this.'

The origin of the above statements is unclear, and they are not realistic. Assertive outreach activities can never 'guarantee' a pathway to long-term housing and personal stability given the challenges clients face. Agencies also struggle to find emergency accommodation at times, which means they cannot guarantee 'rapid' access to accommodation for all people sleeping rough who request this.

HRSAP program design issues

Some program elements do not align well with the objectives of HRSAP and its underlying principles. This means that entities cannot provide housing as intended under a housing first model and so must revert to supporting clients to become 'housing ready'. For example:

- DHHS funded some homelessness services to provide assertive outreach only, without the complementary supportive housing and modular housing programs
- DHHS set the same targets for assertive outreach and supportive housing clients in all service areas, regardless of population size or demand
- HRSAP is positioned as the foundation of a long-term strategy, but the programs were funded for only two years.

HRSAP assertive outreach program guidelines state that assertive outreach will 'guarantee a pathway to long term housing'. However, the large majority of HRSAP clients supported by assertive outreach teams have not found stable accommodation. Entity data shows that the entities have provided 502 assertive outreach new support periods. The three audited entities have achieved the following housing outcomes:

- 12 people one-bedroom modular units
- 155 stays in crisis accommodation
- 62 stays in other accommodation forms, some transitional, and some in private rental.

This leaves up to 273 people who are likely still rough sleeping. Also, the HRSAP clients in the modular units can only live there until the end of the program in December 2020.

Assertive outreach involves workers actively and persistently finding and approaching people sleeping rough where they sleep or frequent to establish a relationship of trust from which support and housing can be considered.

'Housing first' is an international, evidence-based approach to homelessness where services provide people with housing before attempting to address underlying issues, such as unemployment, mental illness or drug and alcohol problems.

The period of time a client receives services from a homelessness service is known as a **support period**. A support period starts on the day the client first receives a service. One client may have multiple support periods.

Recommendations about planning and implementation

We recommend that:		Response
Department of Health and Human Services	1. establish governance arrangements so there is senior level oversight, clear expectations and internal reporting for the delivery and performance of homelessness initiatives at the program level (see Section 2.3)	Accepted
	2. review and ensure that funding specification documents, service agreements and program guidance for homelessness initiatives contain consistent details on the objectives of the program, what entities are required to deliver and by when, and any other requirements as agreed (see Section 2.2)	Accepted
	3. ensure risk assessments are completed and risk management plans are in place for all homelessness initiatives (see Section 2.3)	Accepted
	4. in future provide contracted entities with program guidance prior to the commencement date of their services to assist with implementation and consistency of practice across entities (see Section 2.4)	Accepted
	5. improve monitoring and reporting of new homelessness initiatives by setting meaningful performance measures and targets at the outset, to enable ongoing performance monitoring at a service provider, regional, state-wide and program level (see Sections 2.2 and 4.3)	Accepted
	6. ensure contracted entities have appropriate and timely transition arrangements for Homelessness and Rough Sleeping Action Plan program clients at the end of the program (see Section 2.5).	Accepted

Service delivery

Delivery of assertive outreach programs

The assertive outreach program has a standard target of providing 120 new support periods at each service location, regardless of population size. Of the three audited entities:

- Haven met the target in one of its locations, with the other location (Swan Hill) providing only 49 new support periods. Haven in Swan Hill has said that it has provided a service to all people sleeping rough in its service area.
- Launch provided 114 and 116 new support periods at its two locations.
- Neami provided 75 new support periods.

Formal assessment tool

DHHS's guidelines require assertive outreach teams to use a formal assessment tool to determine clients' needs and vulnerability. This ensures they can support clients holistically.

Only 44 per cent of clients at the audited entities had been assessed using a formal tool. This means that entities cannot demonstrate that they are providing the required tailored services to identify and address client needs.

Use of flexible brokerage

Some HRSAP funding is designed to be used flexibly by assertive outreach teams. However, they are underspending.

While the audited entities achieved approximately 84 per cent of their target for assertive outreach clients by 31 December 2019, DHHS data shows they only spent about 22 per cent of their brokerage funding, with the majority (85 per cent) of it on short-term or emergency accommodation.

DHHS is not fully capturing how audited entities spend flexible brokerage and is therefore missing an opportunity to identify underspending and its potential impact on client outcomes.

Some of the audited entities explained that this underspending was because of limited emergency accommodation options in their services areas. We also found that one entity had used this funding to support a related program area contrary to DHHS funding requirements.

Case planning in HRSAP programs

While DHHS's service agreements with audited entities require a case plan for 90 per cent of assertive outreach, supportive housing and modular unit clients, the audited entity data shows a range of between 0 per cent and 65 per cent of clients with case plans.

Case plans are a mechanism to ensure that clients receive support tailored to their specific needs and personal goals. Without a case plan, the audited entities cannot show that they have identified and met a client's needs, determined the effectiveness of their services and supported continuous improvement.

DHHS has presented no evidence that it has taken action to improve compliance with the requirement to complete case plans.

Improving health outcomes in HRSAP programs

While audited entities are improving health outcomes for some clients, this is not occurring consistently.

People who have been sleeping rough often have chronic mental or physical health issues. One of the objectives of HRSAP is increased participation in health services to improve client health and wellbeing. But data shows that of 429 audited entity clients, only 57 (or 13 per cent) have physical or mental health care plans completed by a health professional.

Audited entities identify challenges including clients not agreeing to health assessments, shortages of doctors to treat homelessness service clients, and clients understandably focusing on their need for housing above health issues.

DHHS's own interim evaluation found low levels of completed care plans. DHHS has provided no evidence that it has reviewed its approach to this objective, or the level of support provided to contracted entities to help complete health care plans.

Housing outcomes achieved

HRSAP states that HRSAP clients will receive priority access to available social housing. However, the audited entities are achieving few housing outcomes through social housing applications.

Homeless clients often require one-bedroom properties, but those are scarce, which contributes to the long wait for housing allocation. Between 1 March and

DHHS describes a **case plan** for the purposes of its evaluation as 'a personal plan or support agreement that usually has a statement of the client's needs, some goals for the client and strategies for achieving those goals, developed between the client and support worker as a result of a comprehensive, detailed assessment process.'

31 December 2019, the audited entities provided long-term housing—longer than 12 weeks—to 31 of 429 HRSAP clients.

The audited entities report that the lack of housing options available has made it hard to apply 'housing first' principles, which are central to HRSAP. Most housing outcomes achieved for clients are transitional housing and crisis accommodation, which provides short-term respite for people who are rough sleeping.

Modular units

HRSAP provided 20 modular units at three sites. Of these, 17 one-bedroom units could be tenanted by HRSAP clients, with dedicated staff occupying the remaining units on each site. Staff at these sites provide multidisciplinary support to help residents achieve housing stability, improve their personal wellbeing and social connectedness, and transition to sustainable long-term housing within two years.

While DHHS initially expected the modular units to be operational for HRSAP's commencement in January 2019, construction was delayed. The managing entity, Neami, did not fully tenant the units in Norlane and Dandenong until July 2019 and March 2020 respectively. These delays are significant to people who are in desperate need of safe accommodation.

The modular units have the potential to make positive long-term impacts on occupants. DHHS does not yet have plans to recommend that the government roll out more modular units and says the results of the evaluation will inform its decision.

Client feedback and entity evaluations

The opportunity for clients to provide feedback can make them feel valued and involved in the service they receive. It also helps the entity and DHHS understand clients' satisfaction with the service and entities' performance.

All of the audited entities stated in their funding submissions that client feedback would be part of their HRSAP operations. However, although they attempt to obtain feedback from HRSAP clients, they have variable success, given it is a voluntary process.

While the audited entities all have processes to allow clients to provide feedback, they do not document how they evaluate or use the feedback, nor do they refer the feedback to DHHS. This means there may be missed opportunities to identify issues at both the ground level (entity) and system-wide (DHHS) to improve service delivery.

The audited entities also all reported in their funding submissions that they would evaluate their HRSAP programs. None have begun these evaluations. This is concerning given the programs run for two years and began in January 2019. It would be good practice to conduct an interim evaluation so that the audited entities can respond and make improvements where necessary.

Transitional housing is a supported short-term accommodation program. It is designed to act as a stepping stone to more permanent social housing or the private rental market.

Recommendation about service delivery

We recommend that:

Response

Department of Health and Human Services	<p>7. issue clarifying guidance to assist entities funded to deliver services under the HRSAP to improve compliance with requirements for:</p> <ul style="list-style-type: none">• assessing client vulnerability (see Section 3.2)• case and care planning (see Sections 3.5 and 3.6)• use of flexible brokerage funding (see Section 3.3)• client feedback and entity evaluations (see Sections 3.9 and 3.10).	Accepted
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Performance monitoring

Reducing the incidence of rough sleeping

There are significant challenges in measuring how common rough sleeping is. DHHS has not developed a performance indicator to determine whether HRSAP entities are reducing it. When HRSAP began, DHHS did not establish baseline numbers of rough sleepers in each service location area. This means that even if it can collect data on rough sleeping now, it cannot make a performance assessment.

DHHS could have worked with homelessness services and local government to find out the numbers of rough sleepers in each location, through development of a 'by name' list. These lists have been used in Adelaide and internationally to establish baseline numbers of people sleeping rough.

A **'by name' list** is a real-time list of all people experiencing homelessness in a community.

Setting meaningful performance measures

Performance measures should assess how well a program is tracking to achieve its objective. DHHS established two performance measures in audited entities' service agreements—new support periods and number of clients with a case plan. These do not enable DHHS to measure whether the entities are achieving the HRSAP objective of reducing the incidence and impacts of rough sleeping.

HRSAP program targets are combined with homelessness and family violence programs funded under the activity code 'Homelessness Transition Support'. These targets do not provide DHHS with a clear understanding of audited entity progress against the HRSAP target for assertive outreach of 120 new support periods each year at each location.

DHHS did not clearly define performance standards and deliverables for HRSAP from the outset of the program. It listed inconsistent performance measures in documents that sit alongside service agreements, such as funding submission documents and activity descriptions. These inconsistencies create confusion about the level of services the agencies are funded to provide and make it hard for DHHS to conduct performance monitoring and management.

In response to our audit findings, DHHS has developed new business rules for contract management, which attempt to ensure that funded entities can understand exactly what they must deliver, and is streamlining activity codes to ensure they are consistent and clear.

Establishing data collection for performance monitoring

DHHS is responsible for implementing the systems and processes that collect entity data to measure performance. It is important to use a variety of evidence sources to understand entity performance.

However, we observed:

- errors in an evaluation spreadsheet Launch submitted to DHHS, which impact the quality of data.
- incorrect annual targets between May 2019 and February 2020—10 months of a two-year program—entered in DHHS's Service Delivery Tracker (SDT) in the Service Agreement Management System (SAMS2) for monitoring and reporting performance against targets. The SDT is an online tool where entities submit performance data on a monthly basis.
- that DHHS is not collecting HRSAP-specific client feedback via interviews, focus groups or surveys. DHHS guidelines outline that the experiences people have when they use community services are a good source of information about the quality and safety of those services.
- that DHHS does not effectively use the data it collects to understand entity performance against the HRSAP objective to reduce the incidence and impacts of rough sleeping. Linked data can support evidence-based insights to improve planning and service delivery. DHHS does not link data for planning, performance monitoring, or in its evaluation of HRSAP. DHHS advised us there are limitations to the use of linked data as it is only linked twice a year, typically months after the reporting period ends, and it is not meant to be used for operational purposes. We used linked data to highlight the volume and variety of services that HRSAP clients are accessing. We outline our findings later in this report.

Ministerial Advisory Committee

The government detailed specific commitments in the HRSAP to public transparency and accountability, including by establishing an advisory committee. A MAC was established in July 2018. It holds confidential meetings and reports only to the Minister for Housing. There is no public reporting about the MAC's activities.

The MAC's terms of reference require it to meet at least every two months, or at more regular intervals as directed by the co-chairs. The MAC held no meetings between 25 October 2018 and 5 May 2019. This disruption was due to the state election and other factors, but it was a crucial period during which audited entities were implementing HRSAP programs. DHHS did not implement any interim measures to address this oversight gap.

DHHS has provided minimal reporting or evaluation outcomes on HRSAP initiatives to the MAC. It provided four traffic light implementation reports which specifically reference HRSAP between 3 July 2018 and 5 September 2019. The meeting minutes, agendas and discussions with the chairs confirm that the MAC's primary focus has been on future homelessness initiatives, rather than HRSAP.

DHHS's reporting to its executive board

DHHS has not reported to its executive board about the implementation of HRSAP initiatives. This has compounded the limited oversight of this program.

As the government called HRSAP the 'foundation' of its strategy to reduce and prevent homelessness, it is concerning that DHHS has not reported on its progress to its executive board.

HRSAP should be subject to appropriate scrutiny, including whether it is on track to achieve its objectives. However, it would be hard to evaluate this given DHHS lacks critical data on people sleeping rough.

DHHS's evaluation of new homelessness initiatives

DHHS had not evaluated its investment in homelessness initiatives, which have cost about \$1.4 billion since 2014. A multi-program evaluation of funded homelessness initiatives is now occurring, which includes parts of HRSAP, but it has limitations that may reduce its ability to effectively inform future programs.

DHHS retrofitted HRSAP outcomes for the purposes of this evaluation, after HRSAP programs began. This means that there was no agreed set of measures from the outset that the audited entities were working towards and could incorporate into their business plans.

As yet, DHHS has no plans to publicly report on the results of the evaluation of new homelessness initiatives. DHHS advised us that it will require the endorsement of the Minister for Housing to release detailed evaluation results.

Benchmarking can be used to identify opportunities for improvement. DHHS has informed the audited entities that they will receive some information about the outcome of the evaluation. This will be de-identified aggregated data, allowing them to compare their performance against the overall results. While this will give some useful feedback, providing more detailed information to allow entities to compare against similar organisations, or identify organisations demonstrating better results that they might learn from, would further assist.

Modular housing

Modular housing is an integral element of some of the audited entities' HRSAP programs, and the significant delays in their construction will limit the information available for the evaluation. Neami did not fully tenant their modular housing units until March 2020, 15 months after the initially proposed commencement date of January 2019.

This means a critical component of the HRSAP programs may not be effectively evaluated to inform DHHS policy development, program implementation and performance monitoring. It also means that people continued to sleep rough when accommodation should have been available.

Opportunities for continuous improvement

The audited entities are using a range of innovative practices to help clients, but there is little evidence that DHHS is monitoring and sharing this information to help more people.

When we asked DHHS how it has used performance information to assess and report on HRSAP initiatives, it advised us that 'there is no evidence at this stage given the initiatives have only recently commenced.' At that time, DHHS had 10 months of performance data from the audited entities, which had reported each month since HRSAP began, along with interim evaluation data. DHHS did not use this data to assess and report on HRSAP initiatives.

Information sharing is key to delivering better and more efficient services. DHHS has no formal structure for sharing good practices among HRSAP entities to drive continuous improvement and share innovative practices. We found a range of innovative practices implemented at audited entities, but no evidence that DHHS was collecting or sharing this information across the sector. DHHS should encourage and lead the sharing of innovative practices across entities to maximise both available funding and client outcomes.

Recommendations about performance monitoring

We recommend that:

Response

		Response
Department of Health and Human Services	8. establish a process to better understand demand for homelessness and rough sleeping services in Victoria, including the establishment of baselines to measure the impact of programs (see Section 4.2)	Accepted
	9. review all data collections to streamline the reporting requirements for entities and minimise duplication (see Section 4.4)	Accepted
	10. increase the use of existing data, including linked data, qualitative data, and potentially unstructured data, to improve performance monitoring and decision making to support service delivery (see Section 4.5)	Accepted
	11. report publicly, beyond the sector, on the outcome of the Evaluation of New Homelessness Initiatives in Victoria (including the Homelessness and Rough Sleeping Action Plan) (see Section 4.9)	Accepted
	12. provide homelessness services with benchmarked data to enable them to identify and address any performance gaps (see Section 4.9)	Accepted
	13. measure outcomes and evaluate programs at a system-wide level and publicly report on results (see Section 4.9).	Accepted

1.

Audit context

In 2018–19, the Victorian Government spent \$344.1 million addressing homelessness. In the four years prior, it averaged \$265.3 million each year. Yet the number of people sleeping rough in Victoria has continued to rise, along with demand for homelessness services.

In January 2018, after extensive research and community consultation, the government launched HRSAP. This plan committed to reduce the incidence and impacts of rough sleeping by:

- intervening early
- housing people sleeping rough
- strengthening support to keep people off the streets.

This chapter provides essential background information about:

- Definitions of homelessness and rough sleeping
 - The impacts of sleeping rough
 - How many people experience homelessness
 - Causes of homelessness
 - HRSAP
 - The roles and responsibilities of agencies
-

1.1 Why this audit is important

In 2018–19, homelessness services supported 112 919 Victorians who were either homeless or at risk of homelessness. This accounts for 39 per cent of the national supported homeless population, as measured by homelessness services contacts.

In 2018–19, homelessness services reported that 72 per cent of their Victorian clients—who were homeless when they first presented for help—did not have access to stable housing at the end of their support period. A further 10 per cent did not report their housing situation at the end of their support period.

HRSAP includes \$45 million worth of initiatives intended to break the cycle of homelessness.

DHHS launched HRSAP in January 2018, with a planned commencement date of January 2019 for certain services. It is timely to assess how DHHS is:

- implementing elements of the action plan with audited entities
- monitoring progress against intended outcomes.

1.2 Homelessness and rough sleeping

The Australian Bureau of Statistics defines homelessness as when a person does not have suitable accommodation because their current living arrangement:

- is in a dwelling that is inadequate
- has no tenure, or tenure is short and is not extendable
- does not allow them to have control of, or access to, space for social purposes.

This definition recognises that having a home gives a sense of security, stability and privacy, as well as safety and control over one's living space.

A report commissioned by the Victorian Government and published in October 2017 described rough sleeping as 'the most extreme and literal form of homelessness'.

While rough sleeping is the most visible form of homelessness, people who sleep rough make up only about 7 per cent of the overall homeless population.

1.3 Implications and risks for people rough sleeping

People sleeping rough are exposed to a range of risks to their health and wellbeing, including violence, extreme weather and poor diet.

Existing physical and mental health issues may also be neglected and worsen over time, with long-lasting impacts. The incidence and severity of trauma and health-related issues, including mental illness, acquired brain injury, chronic illness and disease, increases with the duration and frequency of rough sleeping.

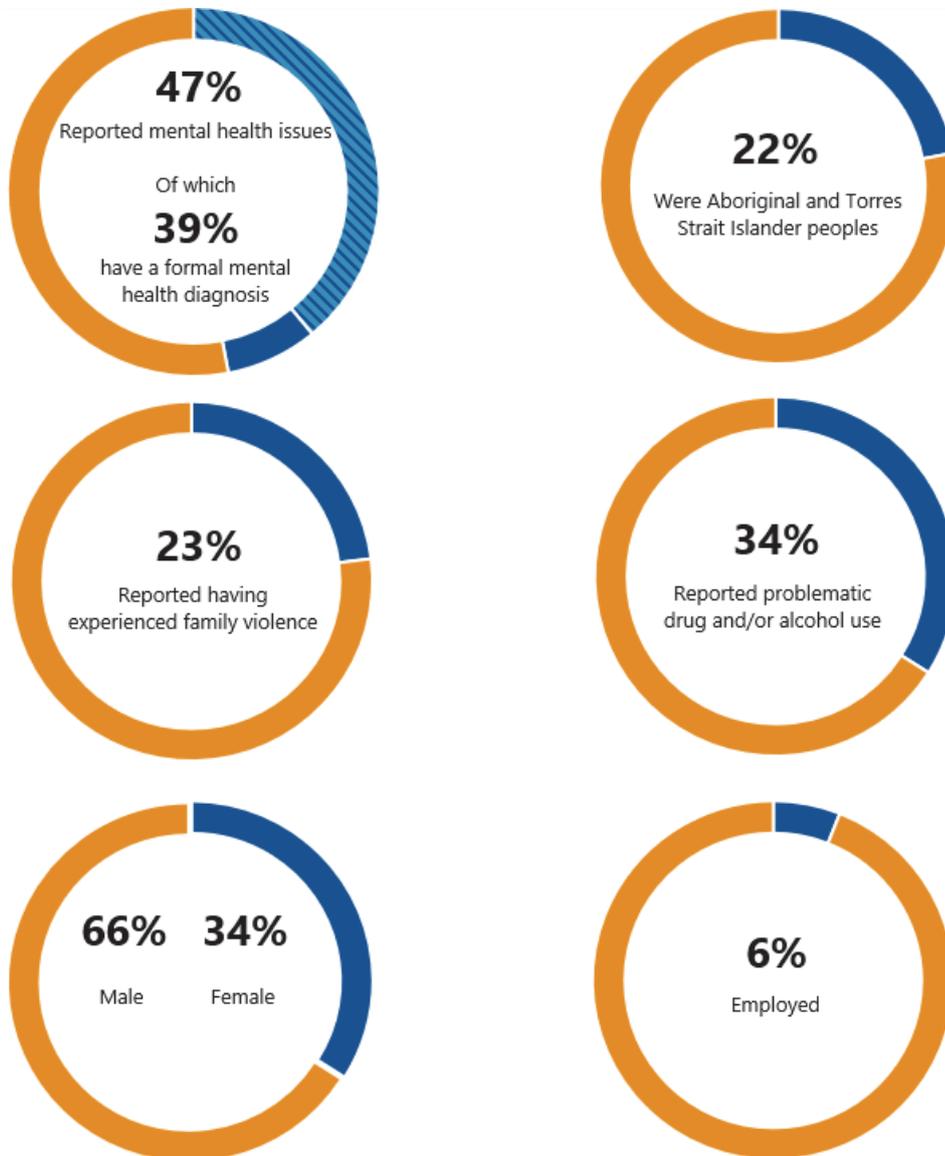
People sleeping rough are also 11 times more likely to be the victims of violence than those who have not been in this situation.

Research has found that the average life expectancy for a person who experiences chronic homelessness is 47. This is 30 years lower than the average life expectancy in Australia.

In 2018, the Australian Institute of Health and Welfare (AIHW) released *Sleeping rough: a profile of Specialist Homelessness Service clients*, an analysis of four years of data from the Specialist Homelessness Services Collection. Figure 1A shows key findings from the report.

Specialist Homelessness Services Collection is data collected by AIHW about people who are referred to or seek assistance from homelessness services.

FIGURE 1A: **Key findings from AIHW report**



1/5 people sleeping rough experienced repeat episodes of homelessness and remained homeless at the end of the four-year study

Source: VAGO, from AIHW data.

1.4 Prevalence and contributing factors

AIHW estimates that each year approximately 8 600 Victorians will sleep rough for at least one night. However, the incidence of rough sleeping can be difficult to measure, due to factors such as seasonal variations, transience and people hiding due to personal safety concerns. Available measures show that rough sleeping has increased.

Australian Bureau of Statistics Census (August 2016)

The Australian Bureau of Statistics collect data every five years on people experiencing homelessness or rough sleeping on Census night. The most recent Census, in August 2016, found that:

- more than 116 000 Australians were experiencing homelessness
- of these, 8 200 were estimated to be sleeping rough, an increase of 20.4 per cent from 2011
- approximately 24 800 Victorians were homeless
- of these, 1 100 people were sleeping rough.

The number of people recorded as sleeping rough in the Census is likely an underestimate. For example, while Census officers attended known rough sleeping 'hot spots', they did not enter squats.

StreetCount (June 2018)

Homelessness services, in collaboration with local councils, use StreetCount to collect information and measure the number of people sleeping rough. StreetCount is conducted every two years in Melbourne. More than 400 trained volunteers visit nominated streets, parks and laneways.

The last StreetCount in June 2018 included selected areas in five local government areas in inner Melbourne and found 392 people sleeping rough.

AIHW data

AIHW collects data from homelessness services about their clients. This data represents clients who seek support from, or were referred to, a homelessness service.

AIHW data highlights that between 2011–12 and 2018–19, there was a 42 per cent increase in the number of people sleeping rough when first seeking support in Victoria.

This is consistent with an overall increase in people requesting help from homelessness services in Victoria, growing from 86 150 in 2011–12 to 112 919 in 2018–19.

This data does not include people who may be sleeping rough but not seeking support from homelessness services.

Housing affordability and availability

A lack of affordable and available housing contributes to homelessness rates.

Social housing in Victoria

There is not enough social housing for the number of people who are homeless and sleeping rough in Victoria.

The **Census** collects data on the key characteristics of people in Australia on Census night and the dwellings they live in. Information collected is used by the government when planning community services, including for housing, transport and education.

Social housing is made up of two types of housing, public housing and community housing. It is for people on low incomes who need housing, especially those who have experienced homelessness, family violence or have other special needs.

In 2017, the Family Violence Housing Assistance Implementation Taskforce highlighted that to maintain current levels of social housing, the Victorian Government needed to add 1 600 houses per year over 20 years to its housing stock. The government committed to 1 000 houses over three years.

Figure 1B shows average spend on social housing per capita in Victoria and nationally. In 2018–19, Victoria increased its spending from \$84.5 to \$92 per person, but this is still below the national average of \$159 per person.

FIGURE 1B: Average dollar spend on social housing per capita



Source: VAGO analysis of Productivity Commission Report on Government Services, 2014–15 to 2018–19.

Figure 1C shows net recurrent expenditure per public housing dwelling, including the cost of capital. Victoria’s expenditure per public housing dwelling is in line with the national average.

Public housing is a form of long-term rental social housing that DHHS manages. It is for people on low incomes who are most in need, especially those who have experienced homelessness or family violence. Rent in public housing is no more than 25 per cent of total household income.

FIGURE 1C: Net recurrent expenditure per public housing dwelling, including the cost of capital



Note: The Report on Government Services advice states that this data is not comparable across jurisdictions.
 Source: VAGO analysis of Productivity Commission Report on Government Services 2014-15 to 2018-19.

Social housing waiting list

Social housing is short and long-term rental housing that is owned and run by the government or not-for-profit agencies.

As at March 2020, there were 44 703 applications for social housing in Victoria and 7 188 for transfer.

The Victorian Housing Register manages applications for social housing in Victoria and maintains a waiting list of public and community housing applications.

DHHS's 2018-19 *Annual Report* states that the average waiting time for clients who had received a priority access public housing allocation was 11.6 months. It notes that the waiting list is growing because there has been:

- a drop in people moving out of public housing
- a number of properties awaiting redevelopment
- lack of growth in social housing.

Single-bedroom public housing, often necessary for chronically homeless clients with complex issues, is particularly scarce. We discuss this further in Section 3.7.

The StreetCount in 2018 found that 42 per cent of people rough sleeping were on the social housing waiting list.

Australian Government welfare payments

There are a range of Australian Government welfare payments available to people experiencing homelessness.

Priority access housing applications are for people who are homeless and receiving support, are escaping or have escaped family violence, have a disability or significant support needs or have other particular housing needs.

Figure 1D shows the base rate a single person would receive per fortnight for three common types of government payments HRSAP clients receive. However, some of these payments have mutual obligation requirements, which mean that for recipients to keep receiving the payment they need to attend appointments and take part in certain activities, such as looking for work. These obligations may be difficult to achieve for people who are sleeping rough.

FIGURE 1D: **Australian Government payment summary**

Payment type	Basic rate per fortnight (single person) as at July 2020
JobSeeker	\$565.70
Disability Support Pension	\$594.40
Youth Allowance	\$462.50

Note: Since 27 April 2020, in addition to the base rate there is a COVID-19 supplement of \$550 per fortnight. The Australian Government extended the provision of the supplement until 31 December 2020, but from 25 September 2020 the supplement will reduce to \$250 per fortnight.

Note: From 20 March 2020 the JobSeeker Payment replaced the Newstart allowance as the main working age income support payment for those with the capacity to work.

Note: Payment amounts reflect rates for a single adult over 18 years with no dependent children and 'living away from home.'

Source: VAGO, based on Services Australia data as at July 2020.

Private rental affordability and vacancy levels

Low vacancy levels and high median rent prices make it difficult for people living on welfare payments to access private housing.

As at June 2020, rental vacancy levels were 3 per cent in Melbourne and 1.8 per cent in regional Victoria. These low levels have increased rental prices.

DHHS data shows that for the March 2020 quarter, median weekly rent was \$430 in Melbourne and \$340 in regional Victoria. These leave a respective shortfall each week of \$147.15 and \$57.15 from the base JobSeeker rate.

Anglicare Australia's 2020 *Rental Affordability Snapshot National Report* released in April 2020 looked at private rental listings across the country over a sample weekend to test affordability and suitability in the private rental market for people on welfare payments. The report found:

- only 3 per cent of more than 69 000 properties advertised were affordable and appropriate for households on government welfare payments
- only nine properties were suitable and affordable for a single person on the JobSeeker Payment.

Data provided by DHHS on 24 January 2020 shows that of 983 HRSAP clients, 867 (or 88.2 per cent) were on welfare payments, with a further 115 (or 11.7 per cent) having no income or unknown, making private renting out of reach, as detailed in Figure 1E.

Housing affordability refers to the relationship between expenditure on housing and household incomes.

Housing stress is defined as a household paying more than 30 per cent of their income on housing costs.

Anglicare defines **suitability** as appropriate for the number of people, or the family type, including modifications required due to disabilities. Affordability refers to no more than 30 per cent of the household budget used for rent, an internationally accepted benchmark.

FIGURE 1E: Private rental affordability in Melbourne on rental payments as at July 2020



Note: Since 27 April 2020, in addition to the base rate there is a COVID-19 supplement of \$550 per fortnight. The Australian Government extended the provision of the supplement until 31 December 2020, but from 25 September 2020 the supplement will reduce to \$250 per fortnight.

Note: From 20 March 2020 the JobSeeker Payment replaced the Newstart allowance as the main working age income support payment for those with the capacity to work.

Note: Payment amounts reflect rates for a single adult over the age of 18 years with no dependent children and 'living away from home.'

Source: VAGO from DHHS and Services Australia data as at July 2020.

1.5 Homelessness and Rough Sleeping Action Plan

In 2017, the Victorian Government appointed the Chair of the Rough Sleeping Strategy to develop a long-term and statewide approach to rough sleeping. The Chair published a document called *Rough sleeping in Victoria: Situation appraisal for community consultation* in May 2017.

The Chair reviewed data on people sleeping rough who received support from homelessness services between July 2015 and January 2017 and concluded that homelessness services were failing to help people sleeping rough, with only 6 per cent helped out of homelessness.

A proposed strategy to reduce rough sleeping in Victoria

The Chair released *A proposed strategy to reduce rough sleeping in Victoria* in October 2017. Its strategic objectives included:

- intervening early to prevent rough sleeping and reduce its duration
- making services for people sleeping rough more accessible and integrated
- establishing more appropriate and immediate housing options, including prioritising access to social housing for people sleeping rough.

Homelessness and Rough Sleeping Action Plan

The government accepted the Chair's recommendations and in response developed HRSAP, which it launched in January 2018.

HRSAP is part of a broader government reform of the homelessness service system that centres on four key themes:

- intervening early to prevent homelessness
- providing stable accommodation as quickly as possible
- supporting clients to maintain stable accommodation
- building an effective and responsive homelessness service system.

Implementing HRSAP

The objective of HRSAP is to reduce the incidence and impacts of rough sleeping. It aims to provide tailored support to people experiencing homelessness.

The government committed \$45 million over four years for HRSAP to deliver a range of initiatives including:

- assertive outreach teams in areas with the greatest need
- multidisciplinary teams to tackle chronic homelessness and deliver support to vulnerable people once they are housed
- a therapeutic service delivery model for major inner-city crisis accommodation centres to improve health, wellbeing and housing outcomes
- 20 modular units and onsite support.

In this audit we focus on three key components of HRSAP delivered by the audited entities, which DHHS has funded for two years:

- assertive outreach
- supportive housing teams
- 12 modular units and onsite support.

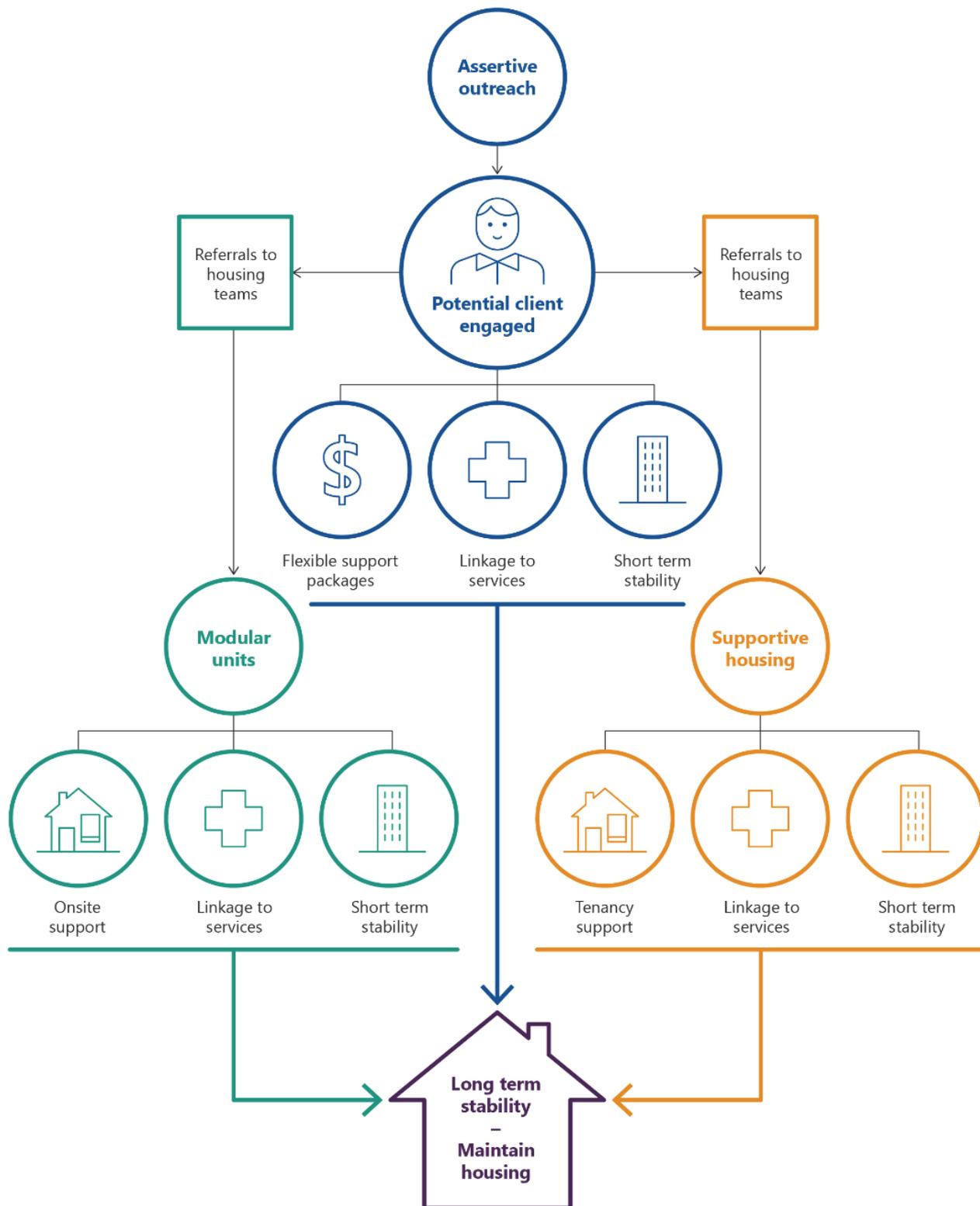
Other related government programs to support people at risk of, or experiencing homelessness include the Private Rental Assistance Program announced in October 2019, which is a \$34.9 million program designed to help people find and maintain tenancies in the private rental market. Funding under that program can cover costs such as rent, bond, household items and removalists.

HRSAP program elements

DHHS encouraged entities applying for HRSAP funding to develop a multidisciplinary partnership approach to service delivery.

Figure 1F illustrates how DHHS anticipated HRSAP clients might move through the different HRSAP program elements.

FIGURE 1F: Client pathway through HRSAP elements



Source: VAGO, from DHHS.

Assertive outreach

Assertive outreach is an active approach to engaging with people who are sleeping rough or experiencing homelessness, where workers go to areas that people sleep or frequent, with the aim of building relationships and trust.

According to DHHS guidelines, assertive outreach aims to:

- 'guarantee' a pathway to long-term housing and personal stability
- be individually tailored and flexible to support personal, client-led recovery
- respond to individual histories and anticipate, monitor and respond to issues of concern
- achieve and maintain stability in housing by observing principles of trauma-informed care and practice, cultural safety, and supportive housing.

Supportive housing teams

Once clients have access to housing, supportive housing teams provide wraparound support to keep them housed. Supportive housing teams aim to:

- provide intensive support to people making the transition from chronic homelessness and rough sleeping
- support their placement in longer-term housing
- assist them to maintain their housing.

Modular unit support

HRSAP provided 20 modular units at three sites. Of these, 17 one-bedroom units could be tenanted by HRSAP clients, with a dedicated staff unit on each site. These sites provide multi-disciplinary support to assist residents to:

- achieve housing stability
- improve personal wellbeing and social connectedness
- transition to sustainable long-term housing within two years.

HRSAP program design

Housing first principles

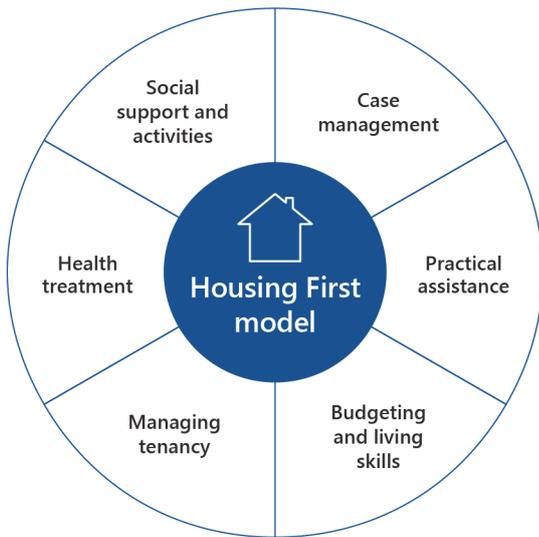
HRSAP is based on the 'housing first' model. This is an international, evidence-based approach to homelessness where services provide people with housing before attempting to address underlying issues, such as unemployment, mental illness or drug and alcohol problems.

Older models focused on supporting people to become 'housing ready' prior to offering housing, such as working with people to develop independent living skills or referring them to services to address health issues. Figure 1G outlines the key elements of a housing first approach to homelessness.

Trauma-informed care recognises that many people accessing mental health and homelessness services have experienced assault and abuse and tries to avoid practices or discussions that may trigger memories of previous trauma.

Wraparound support is designed to provide intensive and individual support using a team approach. Depending on the client's needs, such support could include input from mental health, alcohol and other drug, disability and family violence services.

FIGURE 1G: **Housing first model**



Source: VAGO, based on Council to Homeless Persons, *Housing First, Permanent Supportive Housing, Ending chronic homelessness*.

Target group and eligibility for HRSAP services

HRSAP program guidance states that the target group for HRSAP services is people who have experienced recent and recurring homelessness over a number of years, and who are not currently being supported by homelessness services.

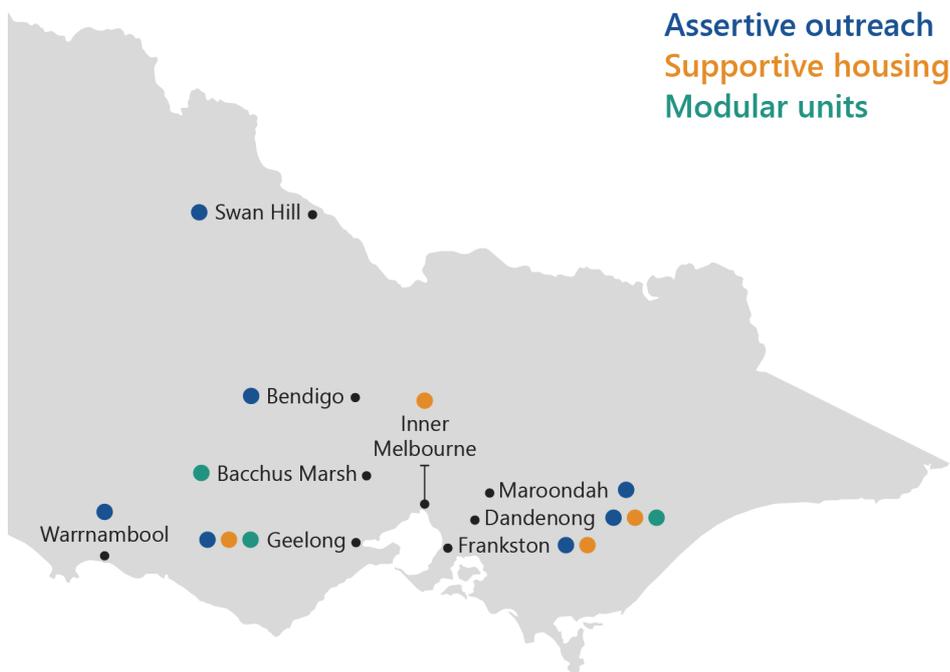
To be eligible for assertive outreach, supportive housing or modular units, clients must have:

- experienced recent and recurring homelessness, including sleeping rough
- complex support needs that contribute to their homelessness, such as mental illness
- demonstrated links to, or a desire to establish links to, community and services in the local area.

Service locations

DHHS chose eight locations for HRSAP services. As shown in Figure 1H, they include three locations in outer suburban Melbourne and five in regional and rural Victoria. The government extended funding for existing programs in inner Melbourne.

FIGURE 1H: Location of HRSAP-funded service locations



Source: VAGO, based on DHHS data.

1.6 Roles of agencies and audited entities

Department of Health and Human Services

DHHS is responsible for policies, programs and services to support and enhance the health and wellbeing of all Victorians. DHHS's service responsibilities are vast and include:

- health services—acute health care, aged and home care, primary and dental health, mental health and drug services
- human services—child protection and family services, housing assistance, community participation and disability services.

DHHS's Homelessness and Accommodation Support Unit is responsible for the implementation of HRSAP. This unit sits in the Housing Division, which has responsibility for implementing the government's homelessness and social housing initiatives. DHHS contracts homelessness services to provide services across the state. These entities receive funding from both the Australian and state governments.

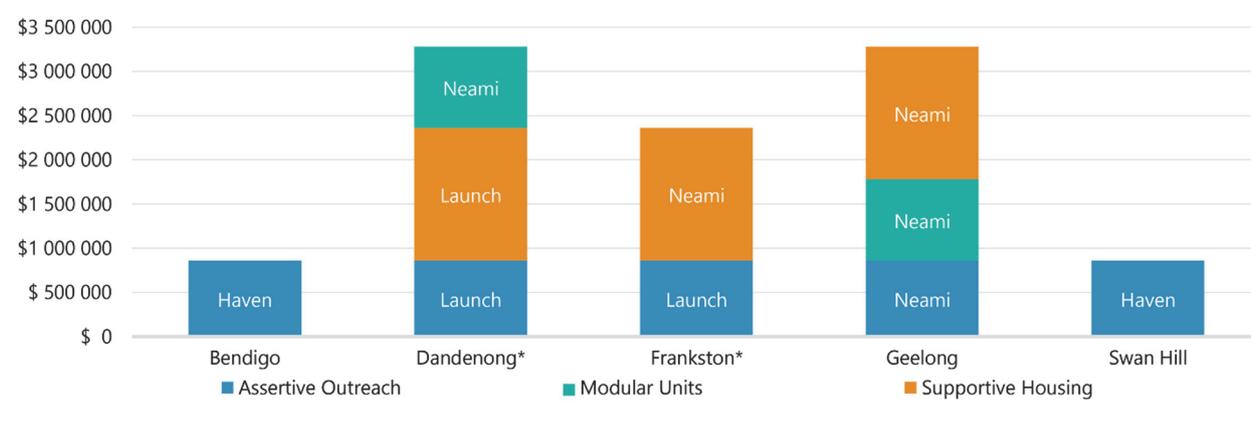
In addition to DHHS, we audited three homelessness services that receive Victorian Government funding—Haven, Launch and Neami—to assess the effectiveness of the services they provide.

Haven, Launch and Neami are the main service providers contracted by DHHS to deliver the assertive outreach, supportive housing and modular housing support

aspects of HRSAP. Collectively, they deliver 64 per cent of services and account for 60 per cent of activity funding.

Figure 11 shows the funding DHHS gave the three entities to provide services in their various geographic areas.

FIGURE 11: Funding for audited entities, by location and program type



Note: *Neami and Launch are partnering to provide services in Frankston and Dandenong.

Source: VAGO, based on DHHS data.

Haven

Haven has been operating in the housing and homelessness sector for four decades. It has offices in Bendigo, Mildura, Geelong and Preston.

Launch

Launch was formed in July 2015 with a mission to end homelessness. Launch provides housing, support, education and employment services to thousands of people across 14 sites in metropolitan Melbourne.

Neami

Neami was formed in Melbourne in 1986 and now supports people across Australia. Neami provides services to improve mental health and wellbeing in local communities.

1.7 Response to homelessness during the COVID-19 pandemic

The COVID-19 pandemic began during our audit. The introduction of home isolation measures has highlighted the vulnerability of people sleeping rough or experiencing homelessness.

On 18 March 2020, the government announced \$6 million in funding to find temporary housing for people experiencing homelessness or at risk of becoming

homeless. The government also established pop-up accommodation for people requiring quarantine or isolation in Melbourne, with over 2 000 vulnerable people placed in vacant hotels since the pandemic began.

On 28 July 2020, the Premier announced a new \$150 million package to help these same people out of homelessness and into their own homes. The Premier described this investment as an opportunity to break the cycle of homelessness. Initiatives announced include:

- leasing 1 100 properties from the private rental market to provide a permanent home for people once they leave emergency accommodation
- flexible support packages to ensure these people are receiving tailored help while they are in crisis accommodation and, once they move into long-term housing, to sustain the accommodation, including mental health, drug and alcohol and family violence support
- extra funding to the Private Rental Assistance Program to help with bond payments and initial rent.

It is too early to examine how DHHS will implement these initiatives.

2.

Planning and implementation

Conclusion

DHHS's poor planning and implementation are limiting the potential of HRSAP to reduce the incidence and impacts of rough sleeping.

DHHS did not set clear expectations and define roles and responsibilities. This meant audited entities did not have clarity about the services they should provide, and DHHS has not been able to meaningfully monitor and drive performance.

The lack of effective governance mechanisms also means that DHHS does not have oversight of how entities are implementing HRSAP programs and is not fulfilling its responsibilities as a contract manager.

This chapter discusses:

- Service agreements
 - Governance and risk management
 - HRSAP program guidance
 - Implementation issues
-

2.1 Overview

Effective program delivery requires government agencies to take a structured approach to planning and implementation. Agencies should clearly define program objectives, set meaningful performance measures and milestones, and establish oversight and governance mechanisms to monitor whether a program is achieving its intended outcomes.

The primary aim of HRSAP is to reduce the incidence and impacts of rough sleeping in Victoria. This chapter assesses whether DHHS planned and implemented HRSAP programs to achieve this aim.

2.2 Service agreements

DHHS does not deliver HRSAP programs directly. It contracts them out to entities and manages them through a service agreement. If established correctly, service agreements can ensure that entities deliver government services on time and to a specified standard. This is particularly important when entities are dealing with vulnerable individuals.

DHHS's service agreements with the audited entities are not specific to HRSAP. They are broad agreements that combine a number of other funding streams and targets. This limits DHHS's ability to monitor performance at an entity and program level.

Figure 2A shows the service agreement requirements for HRSAP audited entities, which are detailed in the activity code 'Homelessness Transition Support'.

A service agreement **target** specifies the performance level that the contractor expects the contracted entity to achieve.

FIGURE 2A: Activity code for HRSAP programs

Homelessness transition support Activity code 20082		
Activity description	Relevant programs	Performance measurement
Transition support aims to achieve long-term housing, employment, education, health and wellbeing outcomes for people who are homeless or at risk of homelessness	Homelessness and Rough Sleeping Action Plan - Homelessness Support Program - Transitional Housing Management Program - Family Violence programs	Number of new support periods – targets in individual agency service agreements - Percentage of clients with an agreed case plan – target 90 per cent for all programs under this activity code
Outcome objective: Victorians are safe and secure		

Source: VAGO, based on DHHS.

The service agreements with the audited entities do not articulate specific goals or roles and responsibilities for HRSAP programs. This means that DHHS has not

established clear and agreed deliverables and time frames against which it can assess the performance of the entities delivering HRSAP.

2.3 Governance and risk

Implementation planning

Effective policy implementation requires a structured approach to guide how the policy is delivered. The Australian Department of Prime Minister and Cabinet recommends that agencies develop policy implementation plans that define:

- how and when a proposal or program will be implemented, including key milestones
- who will be responsible for delivery
- details of key risks and mitigation strategies.

DHHS did not develop an implementation plan to guide the delivery of HRSAP or set clear milestones and responsibilities for the entities delivering HRSAP programs. DHHS did not develop any implementation risk management or mitigation strategies.

DHHS has a responsibility to oversee how public money is being spent and to gain assurance that funded services are being effectively delivered. Weaknesses in the planning process mean that DHHS does not have clear oversight of how entities are implementing HRSAP programs or what is being achieved through expenditure of taxpayers' money.

DHHS's roles and responsibilities

A key part of policy implementation is setting up governance arrangements from the outset, including clearly defining roles and responsibilities, reporting arrangements and opportunities for collaboration. We found that roles and responsibilities for HRSAP implementation within DHHS are informal. This has reduced transparency and accountability.

DHHS advised us that a Project Lead, at the senior policy officer level, in the Homelessness and Accommodation Support Unit, has direct oversight of the implementation of the HRSAP. The Project Lead's position description and performance development plan outline work completed on other homelessness initiatives. However, they do not mention implementation work on HRSAP assertive outreach, supportive housing or modular housing programs.

Accountability for the HRSAP sits at a relatively low hierarchical level within DHHS. DHHS advised us that the Project Lead reports matters relating to HRSAP to their manager, who will then brief the Assistant Director and above as required. DHHS has never reported to its executive board about HRSAP, limiting transparency and accountability.

Risk management

DHHS did not develop a risk management plan for HRSAP implementation and there is no specific HRSAP risk register. DHHS has therefore missed an opportunity to anticipate and mitigate risks that could jeopardise the success of HRSAP programs,

such as construction delays associated with the modular units. We discuss this further in Chapter 3.

DHHS advised us that the Project Lead reported fortnightly to a Principal Project Officer to discuss any risks identified for the implementation. This process is undocumented, and so could not be validated.

Ministerial Advisory Committee

HRSAP stated an advisory committee would be established to 'oversee the progress of our commitments both in this action plan and in the development of broader directions for the future of homelessness service delivery across the state'. The Minister for Housing subsequently appointed members and the MAC first met on 3 July 2018. The MAC's terms of reference describe its role as to:

- assist in advising on the delivery of initiatives to address and resolve homelessness
- inform the development of options for future reform of the specialist homelessness service system.

We discuss the MAC and quality of reporting to it further in Section 4.7.

MAC representation issues

An expression of interest process for membership of the MAC was open from 7 to 15 June 2018. A later briefing from DHHS to the Minister for Housing noted that this process had not attracted Aboriginal, regional, or lived experience representation. The briefing said that DHHS would take steps to find suitable nominees who could bring these perspectives.

The Minister for Housing later appointed the Chief Executive Officer of Aboriginal Housing Victoria and a peer education support graduate from the Council to Homeless Persons (CHP). However, the MAC still has no representation from regional stakeholders.

Audited entity staff in regional areas told us that they had little knowledge of the MAC or its work, which may reflect the absence of regional representation on the MAC. In response to this finding DHHS advised us that:

- some MAC members come from entities with a statewide focus
- the MAC held sector consultation sessions in two regional areas in 2019 and regional representatives also attended five sessions held in Melbourne in 2018–19.

2.4 Program guidance

DHHS did not develop program guidance, including governance arrangements, before the audited entities' contracts began. As a result, the audited entities relied on procurement documentation for details of expected deliverables and time frames during implementation of HRSAP programs.

DHHS advised the audited entities of the implementation schedule on 29 October 2018 in procurement outcome letters. The letters stated that the 'department will require assertive outreach and supportive housing teams to commence operations no later than 28 February 2019, however if possible if there is the opportunity for services to commence earlier that would be preferable'. This conflicts with other

documentation, such as DHHS's reporting to the MAC, where it stated that implementation of assertive outreach teams was due in January 2019.

DHHS developed the Rough Sleeping Action Plan Guidelines in March 2019, to 'ensure quality and consistency in the delivery and practice response across the state'. The guidelines include the program objectives and outcomes, service components, program governance and progress reporting. These guidelines were too late, given DHHS required the audited entities to implement their programs by no later than 28 February 2019.

The guidelines were very similar to the procurement documents, although governance requirements for assertive outreach and supportive housing were not outlined in procurement documentation. All audited entities told us they relied on the procurement documentation to implement HRSAP. Two of the three entities commented that the lack of program guidance on flexible brokerage made implementation challenging as it was unclear what items or services they could purchase using this funding.

The guidelines also include some unrealistic requirements, given the limited housing available. Questionable requirements included that:

- assertive outreach activities will 'guarantee a pathway to long term housing and personal stability'
- flexible brokerage will provide 'rapid access to emergency accommodation for 100 per cent of people sleeping rough who request this.'

Despite DHHS developing and distributing the guidelines to ensure quality and consistency in the delivery and practice response across the state, we saw varied approaches to HRSAP service delivery and practice in audited entities. We discuss these further in Chapter 3.

2.5 HRSAP program design issues

HRSAP includes program elements that do not align well with its objectives and underlying principles.

Housing first principles

The HRSAP program design includes 'housing first' elements, particularly related to providing stable accommodation to people experiencing homelessness as quickly as possible through:

- priority applications for the social housing waiting list
- wraparound support to people experiencing homelessness to manage tenancies and build living skills through supportive housing teams.

However, the program ultimately provided access to only 17 one-bedroom modular units for HRSAP clients.

Service elements

As seen in Figure 1H, not all locations provide all elements of the HRSAP program. Services in Bendigo, Swan Hill, Warrnambool and Maroondah were funded only for assertive outreach, and Bacchus Marsh was funded only for modular unit support. This means that the entities could not all provide the same holistic service to clients.

Targets for assertive outreach are all set at 120 new support periods each year for each location, regardless of population size. Therefore, while the locations for services were based on the areas with the greatest need, the associated funding and targets were not, meaning demand may not be met or the resources may exceed demand. DHHS has not explained its reasoning for this.

Program length

DHHS committed to funding the audited entities' HRSAP programs for two years from 1 January 2019 to 31 December 2020. This contrasts with the government's acknowledgement that people sleeping rough often experience chronic issues and require intensive, ongoing support. Client outcomes may be jeopardised when the audited entities are required to withdraw their intensive support and transition clients to other services at the end of the funding period.

3.

Service delivery

Conclusion

Delays in the establishment of modular units by DHHS, followed by delays by Neami in tenanting the units, meant that some HRSAP clients remained homeless for a period of time when accommodation should have been available.

While the audited entities have housed some people, their ability to do so is limited by issues beyond their control, including the rate of welfare payments, housing affordability and social housing availability.

The audited entities have helped HRSAP clients, including by improving their health and reuniting families. However, DHHS is failing to effectively monitor the performance of audited entities, and so is not ensuring they comply with expectations, learn from results, and achieve the objectives of HRSAP.

This chapter discusses:

- Delivery of assertive outreach programs
 - Use of flexible brokerage funding
 - Case planning in HRSAP
 - Difficulties in housing clients
 - Evaluations of program success
 - Construction of modular units
-

3.1 Overview

DHHS funds the audited entities to deliver three elements of HRSAP: assertive outreach, supportive housing and modular housing support.

In this chapter, we assess how the audited entities are delivering these HRSAP programs and whether they are achieving HRSAP's objective of reducing the incidence and impacts of rough sleeping.

3.2 Delivery of assertive outreach programs

Assertive outreach requires persistent efforts by audited entity workers to engage and support people sleeping rough. The aim of assertive outreach is to establish a relationship to help people sleeping rough into stable housing and assist them to reconnect socially.

HRSAP describes assertive outreach as 'the most effective way to find and engage people who are sleeping rough'.

Engaging the intended cohort

Entities are engaging people who are homeless or at risk of homelessness through assertive outreach.

DHHS guidance for assertive outreach states that assertive outreach is for people who:

- have experienced recent and recurring episodes of homelessness over a number of years
- are not currently supported by homelessness services.

As at 23 January 2020, DHHS's Homelessness Information Tool (HIT) data shows that the audited entities are targeting the intended cohort as follows:

- 76.4 per cent of clients were homeless (53 per cent of whom had no shelter or were in improvised/inadequate dwellings).
- 21.7 per cent of clients were at risk of homelessness.
- 1.9 per cent had no stated housing status.

However, HIT data in Figure 3A also shows that only one entity achieved the annual target from 1 January to 31 December 2019.

HIT captures data about HRSAP clients and their situations.

FIGURE 3A: Entity performance for assertive outreach for 1 January to 31 December 2019

Entity	New support periods	% of new support periods complete against target of 120 per year
Neami Geelong	75	62%
Launch Dandenong	116	96%
Launch Frankston	114	95%
Haven Swan Hill	49	40%
Haven Bendigo	148	123%
Total	502	

Note: We requested entity data for the period 1 January to 31 December 2019 while noting that the entities started their assertive outreach programs at different times. For example, Haven in Swan Hill did not start its assertive outreach program until May 2019.

Source: VAGO, based on entity data.

Figure 3A shows that only Haven in Bendigo exceeded the target of 120 new support periods for assertive outreach in 2019. Neami's assertive outreach team did not begin until 29 January 2019 and Haven's team in Swan Hill started in May 2019. As mentioned in Section 2.5, DHHS set the same target for each location, without considering local service demand, so it is difficult to reasonably assess entity performance.

Persistence in assertive outreach

All the audited entities are persistent in their efforts to find and engage people sleeping rough. Persistence is key to assertive outreach, as people may be initially reluctant to engage with services or have had unhelpful experiences in the past.

All the audited entities showed detailed knowledge of their local areas and frequently visited the 'hot spots' for rough sleeping. We observed that some audited entities conducted foot patrols, while others needed to cover larger distances and used vehicles to distribute first aid items, blankets and water.

Staff at the audited entities told us that even when they can engage rough sleepers, they often needed to explain to them that they cannot necessarily supply housing. Some audited entity staff told us that this can cause some clients to disengage with them.

DHHS is evaluating these HRSAP programs, which we discuss further in Section 4.9. DHHS is measuring persistence in assertive outreach. Figure 3B shows preliminary data about HRSAP-funded entities providing assertive outreach from implementation to September 2019.

The data shows it can take significant time and effort to engage clients. For 19 HRSAP clients, it took staff 6–10 assertive outreach contacts before they considered these clients as 'fully engaged'. For nine clients, it took staff 11 or more contacts.

FIGURE 3B: **Assertive outreach contacts and workers' perception of clients' level of engagement**

Contacts by an assertive outreach team	Refusal to engage	Disengaged	At risk of disengaging	Not yet engaged	Partially engaged	Fully engaged
0 contacts	9	17	1	39	4	8
1 contact	10	13	0	44	25	33
2-3 contacts	5	16	2	12	41	28
4-5 contacts	4	7	1	3	11	12
6-10 contacts	1	4	0	2	12	19
11 or more contacts	0	0	0	0	4	9
Blank	1	7	0	38	15	18
Total clients	30	64	4	138	112	127

Note: It appears that some of the data for engagement perceptions is incorrect for the measure of 0 contacts, as clients cannot be engaged prior to contact.
 Source: VAGO, based on DHHS evaluation data.

The following case study shows persistent engagement by Neami over six months with a chronic rough sleeper, leading to a positive outcome.

FIGURE 3C: **Case study: Chris**

'Chris' had been living on the streets for 20 years when Neami assertive outreach workers first met them.

Chris has chronic health issues and the Neami workers thought that Chris may die without intervention. However, Chris was initially very resistant, and it took around six months before agreeing to engage.

Neami has now housed Chris in a modular unit and continues to support Chris in addressing a range of health issues, including entering detox.

Source: VAGO, based on Neami data.

Engaging people with complex needs through assertive outreach

People who are rough sleeping often have complex needs that go beyond an immediate need for housing and may require referrals to specialists.

The following example shows the complex and chronic homelessness history of one of the clients Neami is supporting, and the barriers to them staying in housing. It also demonstrates Neami's work to engage the client with health services and other activities.

HRSAP defines **chronic homelessness** as longer than 12 months.

FIGURE 3D: **Case study: Jo**

'Jo' is in their late 50s with a long history of unstable and inappropriate housing. Jo first experienced homelessness in 2003 after leaving a violent relationship and spending time in a refuge. Jo later lived with Jo's young child in a variety of rooming and share houses before becoming homeless again in 2009.

Jo continued to move between unsuitable accommodations. Jo also accumulated a debt with the Office of Housing, which became a further barrier to accessing housing. Compounding this, Jo receives the JobSeeker allowance, which means Jo cannot afford private rental.

In 2019, Neami facilitated a health assessment, giving Jo the opportunity to discuss concerns with a general practitioner, who ordered blood and diagnostic tests. The assessment identified a number of chronic issues, including poor dental health, which needed to be addressed.

Jo had moved so often that Jo was unsure if a public housing application previously submitted was still valid. Neami supported Jo with a 'housing first' priority application, and Jo recently accepted an offer of a one-bedroom property. Jo has already reported an improvement in mental health and is also optimistic about help with physical health issues. Jo is particularly looking forward to being able to cook meals again in their own home.

Recently, Neami has supported Jo's participation in voluntary work for several months, which has boosted Jo's confidence. Neami is also helping Jo access material aid to furnish Jo's new home and intends to link Jo with local services to ensure Jo feels supported.

Source: VAGO, based on Neami data.

Assessing client vulnerability

It is essential for DHHS and agencies to understand the needs and vulnerabilities of people sleeping rough to ensure a timely and holistic approach to case management. DHHS's Assertive Outreach Guidelines require assertive outreach teams to:

- complete a relevant and targeted assessment of people sleeping rough or who are homeless to help determine level of need, length of time spent sleeping rough or homeless, risks and vulnerabilities
- provide 'rapid access' to longer term case management and housing support for all rough sleepers who they assess as 'highly vulnerable'.

The guidelines require audited entities to use a formal assessment tool in client assessments, but DHHS does not provide or recommend a particular tool to use. Consequently, audited entities use different assessment tools, and some are not consistently using a formal assessment tool to determine client vulnerability and prioritise service delivery.

This means that HRSAP programs are not being delivered in a consistent way. Clients may be receiving a different standard of support depending on where they are

located and on the experience of staff exercising their professional judgment if they are not using an assessment tool. It also means that DHHS and the sector is missing key data on service need that they could use for future investment decisions.

Figure 3E outlines data provided to DHHS from audited entities. While it shows that 44 per cent of HRSAP clients had been assessed with an assessment tool, this number may be over-represented as some entity staff told us that they used professional judgment to determine a score, as opposed to using a formal tool.

FIGURE 3E: Entity use of an assessment tool to assess client vulnerability, 1 February to 31 December 2019



Note: This analysis uses data submitted via DHHS's manual evaluation spreadsheet, discussed in Section 4.4. Launch data is inconsistent with its total client numbers.

Source: VAGO, based on entity data.

Haven

Haven acknowledges that it could improve its assessment of client vulnerability. One issue had been the requirement to pay for licences for a formal assessment tool. Examples of Haven's informal approach to client assessments include:

- in Swan Hill, applying professional judgement in regards to assessing clients sleeping rough, resulting in no occasion where a client has not received support
- in Bendigo, staff using 'practice wisdom' including a series of questions and observations to assess primary needs, risk levels, resources and strengths of people sleeping rough.

Haven has now begun a project to create a standard framework to ensure consistent practices in client assessment.

Launch

DHHS evaluation data shows that only 53 of 157 (34 per cent) Launch clients have been subject to a formal assessment using a prioritisation tool.

Vulnerability Index – Service Prioritization Decision Assistance Tool is a screening tool. It is a brief survey to determine whether a client has high, moderate, or low acuity. It can be used to help prioritise clients. Because it is a self-reported survey, no special training is required to use it.

Launch states that staff complete an Initial Assessment and Planning process when they make first contact with a client. This provides information to inform referrals for housing, support and material assistance.

Launch also said that it is promoting the Vulnerability Index – Service Prioritization Decision Assistance Tool to gather additional information about a client’s level of need to help prioritise services. Launch noted that this tool informs decisions made by professional staff.

Neami

Neami has recently adapted its risk assessment to incorporate a street-based risk assessment and management plan. This document includes assessment and management plans for key risks including violence, drug and alcohol use, mental and physical health, suicide and self-harm, housing, employment and environment. Neami’s tool also requires the service manager to approve the worker’s assessment.

DHHS

While there is evidence that audited entities have achieved some positive client outcomes without using a standardised assessment tool, this practice does not meet the requirements set by DHHS and detailed in HRSAP guidance and funding submission documentation.

In response to our findings, DHHS stated that the use of a formal tool does not guarantee or prevent the subsequent delivery of individually tailored services. DHHS described the use of a formal tool as an ‘initial guide that is followed by a more detailed and ongoing assessment of need to ensure tailored services are delivered across time’ and referenced the use of case plans. However, as we describe in Section 3.5, we also identified inconsistent practices in case planning for clients.

3.3 Use of flexible brokerage funding in assertive outreach

Flexible brokerage funding

A portion of HRSAP assertive outreach funding is designed to be used flexibly. Each service location has received \$216 616 in flexible brokerage funding over two years.

Audited entities are making use of the flexible brokerage funding but are not fully spending it. They could achieve additional client outcomes, such as short-term or emergency housing, by using this funding.

Figure 3A shows that in 2019 the audited agencies provided assertive outreach services to 84 per cent of their target of 600 new support periods. However, these entities spent just 22 per cent of their flexible brokerage allocation for that same period.

Audited entities have used flexible brokerage funding to reduce the impacts of rough sleeping, including:

- respite accommodation in extreme weather conditions or when a client's health has deteriorated
- tickets to travel interstate to reunite people who had been sleeping rough with their families

DHHS submission documentation states **flexible brokerage** is intended to be truly flexible in its use, as long as it can be clearly acquitted against discernible, measurable client outcomes. DHHS lists possible flexible brokerage uses including client vocational certification, specialist services (such as detox and or rehabilitation), additional client engagement to achieve a pathway to permanent housing options.

- purchasing identification documents to help clients with Centrelink and housing applications
- paying rent in advance to secure private rental accommodation
- telephones with pre-paid credit
- clothing
- food and water.

The following is a case study where Haven used flexible brokerage for a client who had been sleeping rough to reunite with their family.

FIGURE 3F: **Case study: Cameron**

'Cameron' has a mental illness.

Cameron had spent their adult life in and out of psychiatric care and often self-medicated with illicit drugs.

Haven built a relationship with Cameron after Cameron came to the attention of police and had been hospitalised following an assault.

Cameron decided that they needed to reconcile with family interstate.

Haven supported Cameron to contact their family, who agreed for Cameron to return interstate and help find Cameron a place in rehabilitation.

Haven used flexible brokerage to buy tickets so that Cameron could travel. Cameron called their worker after arriving to say that they had arrived safely and were doing okay.

Source: VAGO, based on Haven data.

Under the service agreements, flexible brokerage can only be used by assertive outreach teams. Staff in audited entities stated that flexible brokerage funding would be useful in the supportive housing teams. They explained that while some people will transition through assertive outreach, they also identify client needs in supportive housing teams.

DHHS's oversight of spending

DHHS's HIT system does not fully capture how flexible brokerage is being spent and is therefore missing an opportunity to identify client needs (inputs), entity performance (outputs) and client outcomes (outcomes). For example, DHHS is not capturing the salary of a Neami staff member who is paid using flexible brokerage funding.

Data provided by DHHS in December 2019 from its HIT shows significant variation in the flexible brokerage spend across audited entities. Figure 3G shows these entities used 85 per cent of the flexible brokerage funding they did spend for short-term or emergency accommodation.

FIGURE 3G: **Flexible brokerage spending and type by audited entity**

Type of purchase	Haven	Neami	Launch	Total
Payment for short term or emergency accommodation	\$20 033	\$ -	\$82 202	\$102 235
Payment for establishing/maintaining a tenancy	\$6 941	\$ -	\$4 782	\$11 723
Payment for accessing external specialist services	\$325	\$36	\$110	\$471
Other payment	\$2 934	\$320	\$3 028	\$6 282
Total	\$30 233	\$356	\$90 122	\$120 711

Source: VAGO, based on DHHS HIT data extracted December 2019.

We note that the data provided by DHHS from its HIT also includes Launch's HRSAP programs in the Melbourne central business district.

Launch's data for its assertive outreach programs in Dandenong and Frankston for the period 1 January to 31 December 2019 showed brokerage funding spends of \$10 015 and \$11 675 respectively. This spending is similar to Haven's two assertive outreach teams.

To explain its limited brokerage spending, Neami advised us that there are limited crisis accommodation options in Geelong. Neami, as per its funding submission, uses part of its brokerage funding to employ a Peer Support Worker with lived experience of homelessness. This spend does not appear in DHHS's HIT data, which suggests that Neami has spent 0.3 per cent of its annual brokerage funding. However, with the salary added in, Neami would have spent 60 per cent.

DHHS captures whether entities use brokerage funding to achieve client outcomes. This does not include when an entity uses brokerage funding for staff salaries. While performance measures for outcomes are valuable, DHHS is not evaluating client demand (input) and entity performance (output), despite this information being readily available and valuable performance data.

In response to our audit, Haven is working with its finance department to monitor and adjust its flexible brokerage spending. Launch stated that it had underspent flexible brokerage funding in the past due to difficulties accessing suitable emergency accommodation in Dandenong and Frankston. However, the COVID-19 pandemic has led to greater availability of motel and hotel rooms. Launch has therefore recently spent more of its flexible brokerage funds on emergency accommodation.

Use of flexible brokerage funding contrary to funding requirements

DHHS guidelines state that 'flexible brokerage will be used by assertive outreach teams to respond to the needs of individuals engaged by the outreach teams'. We found instances of Launch using flexible brokerage funds contrary to funding

requirements. These instances were not identified by DHHS, demonstrating their lack of monitoring over the funding usage.

Launch used flexible brokerage funding for supportive housing clients with an identified need by claiming that they were assertive outreach clients in their case management system.

Launch stated that it has allowed its supportive housing teams to access brokerage funds as they cover similar clients to the assertive outreach teams. Launch considers the distinction in the funding to be 'confusing and unnecessary'. Launch stated that there was an 'unhelpful distinction' in DHHS 'allocating brokerage to assertive outreach and not to supportive housing' and that this did not recognise the continuity of care with clients moving from assertive outreach to supportive housing.

Launch's practice is contrary to funding requirements and misrepresents the number of support periods it delivers, as it would reflect the client receiving a service from assertive outreach in addition to supportive housing. Launch has also not raised this reported need or practice with DHHS.

We did not find evidence of this practice at Neami, which also has both assertive outreach and supportive housing teams.

3.4 Supporting clients beyond assertive outreach due to demand

DHHS assertive outreach guidance states that assertive outreach teams working in locations without supportive housing teams may continue to actively support clients until they have been assisted into housing. For example, outreach workers may provide tenancy establishment and initial tenancy maintenance support.

Despite only being funded for assertive outreach, Haven in Swan Hill continues working with clients with complex needs once housed, because the demand is not being met by existing DHHS homelessness initiatives in the area. Haven has worked with real estate agents and private landlords to ensure it supports clients with their tenancies. This approach:

- gives agents and landlords confidence in renting properties to people who have been homeless
- has been successful, as Haven has housed 12 out of 49 clients
- has sustained all of the tenancies.

While Haven can demonstrate legitimate client need for these additional services, DHHS has not been aware of these service gaps and therefore is not working with Haven to address them. The following case study outlines a situation where Haven has continued to support a client with complex needs once housed.

FIGURE 3H: **Case study: Alex**

'Alex' is an older person who had been homeless for over two years following an accident that left them unable to work.

Alex was receiving no income or Centrelink payments, and was eating from rubbish bins.

Alex did not have money to buy required medication and became unwell. Alex was hospitalised for 35 days, during which time Alex's camp site was left unattended.

Haven workers helped Alex apply for a transitional property, which was successful. Haven assumed an ongoing case management role to ensure that Alex could sustain the tenancy.

Alex has secured a part-time job and is volunteering at a community service organisation.

Source: VAGO, based on Haven data.

3.5 Case planning in HRSAP programs

Inconsistent use of formal case plans

Case plans help ensure that clients receive support tailored to their needs and personal goals. Without a case plan, audited entities cannot show that they have identified and met a client's needs.

Case plans can only be completed with the client's consent and cooperation. They therefore depend on factors that are at times beyond the audited entities' control.

We found significant variation across the audited entities in the completion of formal case plans for HRSAP clients. DHHS's service agreements with audited entities require 90 per cent of assertive outreach, supportive housing and modular unit clients to have a case plan. However, DHHS does not collect program level data on case planning as part of its performance monitoring, and so does not know whether the audited entities comply with its requirement.

While AIHW provides all homelessness services with access to the Specialist Homeless Information Platform for reporting purposes, the audited entities have all chosen to use different case management systems. Haven's case management system does not enable data extraction for reporting purposes, so it cannot accurately report case plan numbers. When interviewed, Haven staff in Bendigo stated that they did 'not have time' to complete case plans.

Haven is considering a new case management system with the capability to extract and evaluate case plan data.

There is significant variation between Launch and Neami data. While 65 per cent of Neami's clients have a formal case plan, only 28 per cent of Launch's clients have one. Staff at Launch report that they do not usually complete case plans until a client

moves to supportive housing. Launch staff determine a plan of action tailored to the immediate circumstance and needs of clients. Case planning for a person sleeping rough is less formal than a usual case plan undertaken in other human services sectors. However, DHHS funds both entities to complete the same work and Neami is closer to complying with DHHS's case planning requirements.

Figure 31 shows completed formal case plans for audited entity clients. This data includes both supportive housing and assertive outreach clients.

FIGURE 31: Number of HRSAP audited entity clients with a formal case plan 1 February to 31 December 2019

Entity	Case plan completed	Case plan not completed	% of case plans completed
Neami	48	26	65%
Launch	70	179	28%
Haven	0	197	0%
Total	118	402	22%

Source: VAGO, based on entity data.

DHHS is completing an evaluation, which includes elements of the HRSAP, and which we discuss further in Section 4.9. In its evaluation, DHHS is capturing an 'outcome' of 'clients [who] are assessed and agree on a case plan.' The evaluation measure is the 'number of clients with a case plan that includes addressing barriers to sustain housing'.

When we compared the audited entities' data with DHHS's preliminary evaluation data for all HRSAP-funded entities, which is collected via a manual spreadsheet, we found similar results, with only 22 per cent of HRSAP clients having a completed case plan. Despite knowing of these low levels of compliance with case planning requirements, DHHS has taken no action.

Audited entities highlight the complex needs of people who sleep rough and do not believe that completing a case plan in itself means that a positive client outcome has been achieved.

Case studies provided by audited entities show them working with clients in a variety of ways to identify and address needs, as seen in the following example.

FIGURE 3J: **Case study: Andy**

'Andy' is a young person who has mental health issues.

Andy was receiving the Newstart allowance (now JobSeeker).

Andy was hospitalised due to mental illness. The only discharge pathway from hospital for Andy was to move into a rooming house.

A rooming house was not a suitable option for Andy given Andy's chronic mental health issues and trauma.

Launch completed a brief case plan for Andy, which identified three primary goals of housing, mental health and social connection and associated activities to meet these goals.

Launch has housed Andy in a Supported Residential Service. Launch has continued to support Andy and Andy has not been admitted to hospital again during this time.

Launch is advocating on Andy's behalf with mental health services and has assessed that Andy requires ongoing intensive mental health support.

Source: VAGO, based on Launch data.

3.6 Improving client health outcomes in HRSAP programs

Examples of improved client health outcomes

One of the objectives of assertive outreach, supportive housing and modular housing support is to improve participation in health services to help client health and wellbeing.

People who have been sleeping rough often have mental health or chronic health issues. While audited entities improve health outcomes for some clients, this is not occurring consistently. There are challenges to achieving this outcome, including the time it takes to develop relationships with some clients and for them to feel comfortable sharing medical information.

Cases we examined from the audited entities show how they have helped clients address mental and physical health issues. We found examples where audited entities advocated for clients to be admitted to or remain in hospital until plans could be made to ensure their health and wellbeing in the community.

The following example shows how Neami worked with a client to re-engage them with health services to address chronic health issues.

FIGURE 3K: **Case study: Robin**

'Robin' is an older person who was homeless and living in their car for six months. Robin has diabetes but was not taking their medication while living in their car.

Neami ensured Robin's medical needs were met by attending local hospital and general practitioner appointments with Robin.

A Neami health practitioner advocated within Neami that Robin was highly vulnerable, and Robin was prioritised for modular housing.

Neami housed Robin and improved Robin's health in six months.

Source: VAGO, based on Neami data.

The following case example shows Launch assisting a client with mental health issues to receive Centrelink payments.

FIGURE 3L: **Case study: Terry**

'Terry' is middle aged and had been living in their car for three months.

Terry is linked with a mental health service and cannot live in shared accommodation due to mental health issues.

Terry had lost Disability Support Pension status. Launch worked with the mental health service to get Centrelink to consider a new application.

Neami has now housed Terry in a modular unit.

Source: VAGO, from Launch data.

Audited entity staff consistently reported that particular staff can use their expertise and existing relationships in the sector to facilitate referrals and admissions to improve health outcomes. Neami has a drug and alcohol worker on staff, while Launch has a part-time community mental health nurse who also works at Dandenong Hospital three days a week.

Challenges in improving health outcomes for HRSAP clients

Audited entities identified that they face challenges to consistently improving health outcomes for clients, including:

- clients not agreeing to health assessments
- shortages of doctors to treat clients
- clients focused on their primary need of housing

- taking months to gather the required health information from clients to complete health assessments.

DHHS's supportive housing program guidance outlines that a supportive housing service should include 'direct provision of clinical support, including mental health and drug and alcohol support' and 'connection to and navigation of mainstream health and other support services'.

In comparison, DHHS's assertive outreach program guidance does not cover direct provision of clinical support. However, Launch and Neami have developed multidisciplinary teams that have nurses on staff to facilitate health assessments and link clients with specialist health services. These staff work across both assertive outreach and supportive housing teams.

However, health assessments are voluntary, and a thorough health assessment requires the cooperation of clients. At times, the nurses' role may be limited to addressing immediate issues such as tending to minor injuries.

DHHS only funds Haven for assertive outreach, and so Haven has not been able to develop these same partnerships. Haven staff also advised us that doctor shortages in their service areas make it hard to facilitate health assessments for their clients. However, its Bendigo location has begun to engage clinicians and intends to have general practitioners attend assertive outreach activities with Haven staff. This will help Haven assess and meet the health needs of assertive outreach clients.

Multidisciplinary teams working collaboratively

In the call for funding submissions for HRSAP, DHHS required successful providers to have

'expertise in the delivery of [a] multi-disciplinary approach to provide clients including to clinical mental health, primary health and specialist services (such as Alcohol and Other Drugs Treatment services, Aboriginal, and culturally specific organisations) to lead a coordinated response for people rough sleeping in each location. These services may be provided through direct provision or in partnership arrangements.'

The audited agencies welcomed this initiative by DHHS, as they consider it reflects the complex needs of HRSAP clients.

For positive client outcomes, audited entities provide a holistic approach to meet complex needs, with input from a range of staff with different areas of expertise.

All the staff we interviewed at audited entities stated that positive client outcomes are being achieved through the use of multidisciplinary teams. Examples include:

- improving communication and referral pathways
- providing opportunities for learning and information sharing
- ongoing support and shared responsibility which can support staff resilience
- encouraging case discussions and innovative solutions.

Neami and Launch have engaged staff with specific expertise. While allocated to a particular team, these staff often provide secondary consultations, advice and work with clients across teams. We examined client file notes, and noted positive outcomes achieved through collaborative approaches with input from:

- mental health practitioners
- peer support/staff with lived experience
- youth workers
- housing workers
- drug and alcohol workers
- nurses.

Neami and Launch staff confirmed that they have only had an Aboriginal worker for a brief time since the HRSAP was established. Neami was recruiting again and hoped to have an Aboriginal worker on staff from an Aboriginal Co-operative. As both Neami and Launch referred to partnerships with Aboriginal services in their funding submissions, and AIHW has estimated that Aboriginal and Torres Strait Islander peoples make up 22 per cent of those sleeping rough, this is a significant service gap.

Launch advised that all of its staff receive training so they can provide culturally appropriate services when working with Aboriginal and Torres Strait Islander peoples and Launch has recently begun to collaborate with another local Aboriginal service to support a number of its clients.

Low levels of formal physical and mental health care plans for HRSAP clients

Objectives for supportive housing teams include:

- the direct provision of clinical support, including drug and alcohol and mental health
- support to connect with mainstream health services.

Implementing physical and mental health care plans with goals and responsibilities is one way to ensure that HRSAP clients' physical and mental health concerns are being identified and addressed.

DHHS data shows that funded entities have completed very few formal physical and mental health care plans for HRSAP clients.

DHHS identifies improved access and participation in health services as one outcome it is seeking to achieve through the HRSAP programs. The DHHS evaluation is capturing a measure of the 'Number of clients who had a health care plan developed/revised throughout their engagement with the homelessness services.'

Preliminary evaluation data provided by DHHS in December 2019 shows that of 548 clients (including non-audited entities delivering HRSAP services), data was blank in the health care plan fields for 339. Of those 209 with completed fields, 70 clients had a health care plan.

Audited entity data detailed in Figure 3M, which captures 429 clients, shows only 57 have physical or mental health care plans completed by a health professional, or 13 per cent of total clients. Data was blank in the health care and mental health care plan fields for all of Haven's clients (197).

FIGURE 3M: Neami and Launch clients with a physical health or mental health care plan completed by a health professional 1 February to 31 December 2019

Entity	Client has both a physical and mental health care plan	Client has only a physical health care plan	Client has only a mental health care plan	Client has neither a physical nor a mental health care plan
Launch	25	5	15	42
Neami	2	4	6	49
Total	27	9	21	91

Note: This analysis uses data submitted via DHHS's manual evaluation spreadsheet, discussed in Section 4.4. Launch data is inconsistent with their total client numbers.

Note: Blank fields in the data have not been counted so total client numbers are different.

Source: VAGO, based on entity data.

Stakeholder engagement

Despite only being funded for two years, entity staff spoke of extensive efforts to engage and educate various stakeholders about their role, including local councils, ministers, government departments, hospital staff, police, hotel and local business owners and other community service organisations.

These relationships have proven to be valuable as both referral sources to their HRSAP programs and as partners to provide tailored responses to individual rough sleepers. For example, these relationships resulted in Haven in Swan Hill working with a local council to amend position descriptions to ensure council staff report people who are sleeping rough to its HRSAP program.

The following example concerns a referral to Neami's assertive outreach team by police.

FIGURE 3N: Case study: Sam

Neami established a positive working relationship with Victoria Police, and now works with police to assist people sleeping rough.

'Sam' was living in their car and used alcohol and drugs when police reported their concerns to Neami. Assertive outreach workers went to see Sam. While Sam was highly suspicious of them at times, they eventually engaged with Sam by persevering.

Neami helped Sam to apply for a housing first priority application by collating evidence of Sam's history of homelessness. After six months of working with Neami, Sam was housed in a transitional property.

Source: VAGO, based on Neami data.

3.7 Difficulties achieving housing outcomes for HRSAP clients

Housing first priority applications fail to achieve housing outcomes

HRSAP states that people who are supported by housing first initiatives will receive priority access to available social housing under the Victorian Housing Register. However, we found that entities are rarely housing HRSAP clients through housing first priority applications.

DHHS told us that since July 2017, 103 housing first applicants have received an allocation. However, DHHS was unable to tell us how many HRSAP clients were housed through this initiative.

People who are sleeping rough often do not have the required documentation to support a history of homelessness, as is required by DHHS's approval process.

Neami and Launch advised us that even when their clients' housing first applications were successfully backdated several years, they remained on the waiting list for priority housing. None of Launch's clients have been successful with their housing first public housing applications.

Haven in Bendigo advised us that the lack of housing options has 'severely impacted upon the application of housing first principles central to the model of funding' and that its assertive outreach teams have very little secure and ongoing accommodation to offer. Haven had raised this issue with DHHS, and DHHS asked Haven Bendigo staff 'to think outside the box for solutions.'

Scarcity of suitable social housing for HRSAP clients

DHHS owns 28 421 houses in the audited entity locations, 7 472 of which are one-bedroom houses. Over half (54 per cent) of these properties would need to become untenanted to meet the total waiting list demand (15 099).

Homeless with support category priority waiting list applications account for 29 per cent of the total waiting list demand and 15 per cent of the total public housing that DHHS owns at the audited entity service locations. In 2017–18 only 3 148 tenants (4.8 per cent) exited from public housing in Victoria.

Figure 3O shows that one-bedroom social housing options, often a necessity for chronic homeless clients with complex issues, are particularly scarce in Loddon and Barwon, where some of the audited entities are located. The scarcity of these smaller homes can contribute to long waiting times for priority housing applicants.

Homeless with support is a priority housing category. To be eligible a client must be homeless, receiving support from a homelessness service and a support worker needs to complete the client's priority housing application.

FIGURE 30: Housing demand for one-bedroom houses in entity service locations as at 30 September 2019

Area	Homeless with support waiting list	Total one-bedroom houses in service locations	Homeless waiting list against one-bedroom houses
Loddon	845	884	96%
Mallee	239	458	52%
Bayside Peninsula	1 398	4 154	34%
Southern Melbourne	548	1 077	51%
Barwon	1 354	899	151%
Total	4 384	7 472	59%

Note: Housing first priority applications are captured under the homeless with support priority waiting list. The homeless with support priority includes homelessness, family violence, housing first and the rapid housing assistance fund.

Source: VAGO analysis of DHHS data.

The following case study highlights the challenges in accessing appropriate housing stock.

FIGURE 3P: Case study: Family separated due to lack of appropriate housing

Neami began working with a parent who was living in a car with their child.

The parent and child were part of a large family and the other parent was living elsewhere with the other children.

The family had been living in a DHHS property for several months. Overcrowding in that property resulted in the situation of one parent and child living in their car for around two months and at a caravan park for three months.

Neami has now housed the entire family together in a transitional property and is working with them to achieve long-term housing.

Source: VAGO, based on Neami data.

Housing outcomes achieved by entities

Despite obstacles, audited entities are assisting rough sleepers into housing through innovative means.

Entities have reported that they are achieving housing outcomes for HRSAP clients including:

- crisis accommodation or respite in local hotels and motels
- tenancies in short-term transitional properties
- rooming houses
- head leasing agreements with private landlords
- public housing.

The following case study shows Neami's work with a young person who was unable to afford housing, resulting in them sleeping rough.

Head leasing involves the entity renting a property from a private landlord and taking responsibility to ensure that the property is maintained, and the rent is paid.

FIGURE 3Q: **Case study: Stevie**

'Stevie' was a young person sleeping rough with only a sleeping bag in the middle of winter. Stevie had been rough sleeping for two months.

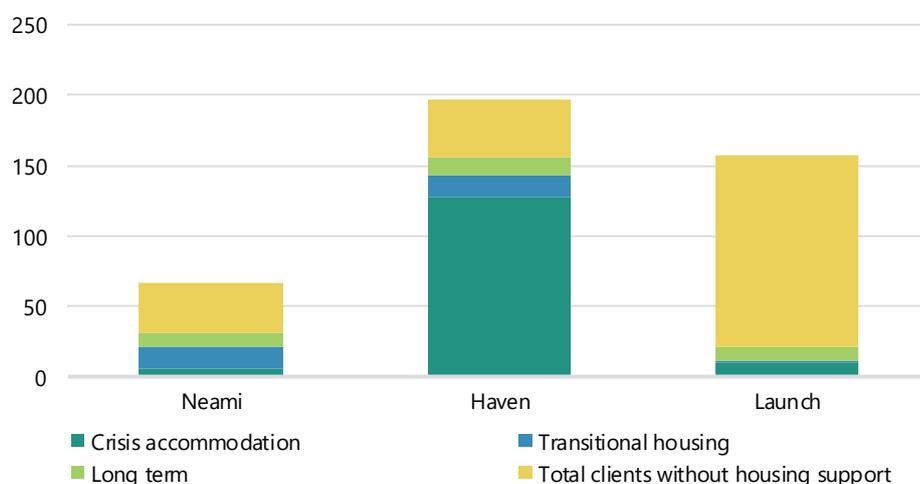
Stevie successfully applied to study, and Neami's youth worker helped Stevie obtain student accommodation. Neami continued to support Stevie once housed, including working on developing Stevie's employment, meal planning and cooking skills.

Source: VAGO, from Neami data.

As detailed in Figure 3R, audited entities are achieving housing outcomes despite the challenges. Most clients who are housed are in transitional housing and crisis accommodation, which provides short-term respite for people who are rough sleeping. Importantly, the audited entities have helped some clients into long-term housing—defined by DHHS as housed for longer than 12 weeks—from 1 March to 31 December 2019:

- Haven has assisted 12 clients out of 197.
- Neami has assisted 10 clients out of 75.
- Launch has assisted 9 clients out of 157.

FIGURE 3R: Housing outcomes for assertive outreach and supportive housing clients, 1 February to 31 December 2019



Note: Audited entities are funded to provide 120 assertive outreach new support periods per year, and 114 supportive housing new support periods.

Note: This analysis uses data submitted via DHHS's manual evaluation spreadsheet, discussed in Section 4.4. Launch data is inconsistent with its total client numbers.

Source: VAGO, from entity data.

3.8 Modular units

HRSAP provided 20 one-bedroom modular units at three sites. Of these, 17 units could be tenanted by HRSAP clients, with a dedicated staff unit on each site. Staff at these sites provide multi-disciplinary support to help residents achieve housing stability, improve personal wellbeing and social connectedness, and transition to sustainable long-term housing within two years.

Figure 3S shows that establishing the modular units in the audited entity locations cost between \$99 327 and \$109 849 per unit, a total of \$1.46 million. HRSAP also included a one-off establishment grant of \$8 187.25 per modular unit for furnishing and minor maintenance works such as changing locks.

FIGURE 3S: Cost to establish modular units at audited entity locations

Location	Units	Cost per unit	Cost total
Norlane	7	\$109 849	\$768 943
Dandenong	7	\$99 327	\$695 289

Source: VAGO, from DHHS data.

The large investment in modular units and the acute need for housing in Victoria notwithstanding, DHHS and the audited entities advised us that all modular units would be dismantled following their use in the two-year HRSAP program. The key objective of the program is for entities to have transitioned all residents to sustainable long-term housing within the two years.

Delays in building modular units

DHHS initially planned to complete the modular units and have them ready for tenants in January 2019. However, Neami staff advised us that DHHS did not begin construction of the Norlane modular units until May 2019.

DHHS informed Neami on 25 February 2019 that there would be delays in the construction at the Dandenong site, as DHHS:

- conducted a doorknock of neighbours [with Neami] of the originally chosen modular unit site in October 2018
- assessed the original site as not suitable
- secured another suitable site which had public housing that would be demolished in April–May 2019 to make way for the modular units
- anticipated that the modular units would be ready for tenancing in November 2019.

DHHS advised us that finding suitable sites for modular units can be challenging and delays can happen due to:

- community concern and misapprehension about the people they will house, which can require careful stakeholder engagement
- infrastructure considerations and local government planning requirements.

Delays in tenancing modular units

HRSAP was released in January 2018 and DHHS expected tenants to enter modular units starting in January 2019. Neami did not tenant the modular units in Norlane and Dandenong until July 2019 and March 2020 respectively and did not fully tenant the units when they were made available, despite housing shortages. This was a missed opportunity to house vulnerable HRSAP clients sooner.

We found there was a delay of over a month between DHHS finishing construction of the Norlane modular units and tenants moving in due to a miscommunication.

DHHS advised Neami staff via email on 27 June 2019 that the units were complete and provided a code to a lock box which contained the keys.

Neami advised us they had six tenants ready to move in during the first week of July but were unable to access the keys. Neami staff said that 'after some delay the keys were eventually located' and tenants moved in on 29 July.

DHHS provided Neami with the keys to the Dandenong modular units on 11 November 2019. Neami began tenancing the units in December 2019. Neami was still carrying one vacancy for a female tenant in March 2020, four months after DHHS handed the keys to Neami.

Neami advised us that this delay was due to it having 'carefully considered' the selection of tenants to live close by each other, as a poor mix can result in tenancy failures. Neami went on to explain that:

- it had arranged for a tenant in December 2019 who later disengaged
- it kept the unit available until January 2020 for that proposed tenant
- subsequent applications were not deemed appropriate
- the vacancy was filled in March 2020.

While we understand the complexity of finding appropriate tenants, the four-month vacancy appears unreasonable given the acute need for housing.

3.9 Use of client feedback to inform service delivery

The opportunity for clients to provide feedback can make them feel valued and involved in their service provision. It also helps homelessness services and DHHS understand clients' satisfaction with the service and entities' performance.

There is no evidence that the entities have either adapted feedback opportunities for HRSAP clients or have used feedback forms to complete any systemic analysis to improve service delivery.

Staff at Launch reported that they submitted completed client feedback forms but were not sure what happened with them. Launch subsequently advised us that it has a Lived Experience Advisory Group and is undertaking a complaints and feedback review to improve the quality of its feedback processes.

All of the audited entities stated in their funding submissions that client feedback would be part of their HRSAP operations. However, audited entities reported that they have variable success in obtaining feedback from HRSAP clients, given it is a voluntary process.

While the audited agencies all have processes to allow service users to provide feedback, audited agencies do not document how they evaluate or use the feedback, nor do they refer it to DHHS. This means there may be missed opportunities to identify systemic issues at both the ground level (entity) and system-wide (DHHS) to enable improved service delivery.

3.10 Audited entity evaluations of HRSAP programs

An evaluation of HRSAP is important to identify if the audited entities have achieved intended outcomes for clients and to identify areas for improvement.

The audited entities all stated in their funding submissions that they would carry out evaluations of their HRSAP programs. None have begun these evaluations. This is concerning given the programs run for two years and began in January 2019. DHHS has taken no action to ensure the entity evaluations have commenced as stated in their funding submissions.

4.

Performance monitoring

Conclusion

Despite the stated HRSAP objective being to reduce homelessness, DHHS has no baseline from which to measure performance. Therefore, from the outset DHHS had no way to measure the achievement of the objective.

The two performance measures in DHHS's entity service agreements do not enable it to measure whether contracted entities are reducing the incidence and impacts of rough sleeping.

Through HRSAP, the government made a commitment to transparency and accountability to the community. However, DHHS has not used available HRSAP data to assess contracted agencies' performance, continually monitor the success of HRSAP or report publicly on it. These gaps create a lack of oversight, transparency and accountability as to the effectiveness of HRSAP programs, which also limits the ability of government and the public to understand performance in this critical area.

This chapter discusses:

- Measuring HRSAP's success
 - Setting meaningful measures
 - Collecting data to monitor performance
-

4.1 Overview

Monitoring and reporting on the outcomes of government department performance provides transparency and accountability for the use of public funds. Effective use of data is essential for monitoring performance.

DHHS's HRSAP references the importance of having an advisory committee and evaluations in overseeing performance of the contracted agencies to inform future homelessness initiatives.

In this chapter, we assess DHHS's performance monitoring and reporting on the achievement of HRSAP's intended outcomes.

4.2 Measuring whether HRSAP is reducing the incidence of rough sleeping

Establishing the number of people sleeping rough

Despite it being the key objective of HRSAP, DHHS has not developed a performance indicator to determine whether HRSAP entities are reducing the incidence of rough sleeping. When HRSAP began, DHHS did not establish a baseline number of rough sleepers in each service location area. This means that even if it can now establish data on rough sleeping, it cannot make a performance assessment.

There are significant challenges in measuring the incidence of rough sleeping. DHHS relies on Census data, which is released every five years, and StreetCount, which counts the number of people sleeping rough in Melbourne and selected inner city suburbs every two years.

Audited entities advised us that they know the approximate numbers of people sleeping rough in their locations.

There are opportunities for DHHS to support all service providers to develop 'by name' lists to help measure performance. These programs have been effective in other states, and in the United States of America.

Launch is trialling the 'by name' method of determining the number of people sleeping rough in Port Phillip City Council. This involves working with the local council and other organisations to know 'by name' everyone sleeping rough in the municipality. This makes reducing rough sleeping real, tangible and measurable. It is an effective way of supporting a locally coordinated approach to service delivery.

This builds on work done since 2017 by DHHS, the City of Melbourne, CHP and Launch who set up a 'by name' approach in the central business district.

In the United States, a 'by name' program called Functional Zero has seen 75 communities across the country house more than 75 000 people. Since January 2015, seven communities have achieved Functional Zero homelessness for military veterans, and three communities for people who are chronically homeless.

Functional Zero is when the number of new people using homelessness services in an area is less than or equal to the number of people who exit homelessness.

4.3 Setting meaningful measures

Measuring performance against policy objectives

Performance measures should assess how well a program is tracking to achieve its objective. The two performance measures established by DHHS in audited entities' service agreements do not enable DHHS to measure whether they are reducing the incidence and impacts of rough sleeping. The measures are:

- Number of new support periods—this captures the number of new or returning clients receiving services from the entity, such as assistance with tenancy applications or an assertive outreach contact.
- Percentage of clients with a case plan—this captures how many clients have a case plan.

These measures, while useful in identifying if funded agencies are delivering agreed services, do not capture whether the client was, or is, sleeping rough, or enable DHHS to understand whether the incidence and impacts of rough sleeping are reducing.

Inconsistent performance measures, deliverables and targets

DHHS did not clearly define performance standards and deliverables for HRSAP. DHHS listed performance measures in documents that sit alongside service agreements, such as funding submission documents and activity descriptions.

There are inconsistencies between these documents. These create confusion about the level of service homelessness services are funded to provide and create challenges for DHHS with ongoing performance monitoring and management.

As shown in Figure 4A, funding submission documentation contains the most complete record of HRSAP deliverables, performance measures and targets. DHHS's service agreements with the audited entities did not include this information, despite being legally binding and enforceable contracts.

An **activity description** is a document that contains detailed information for each health and human services activity, including service objective, client group, obligations, performance measures and data collection.

Each activity has an activity code.

FIGURE 4A: HRSAP deliverables, performance measures, targets and review mechanisms in contract management documents for the audited entities

Term	Funding submission	Service agreements	Activity description
Deliverables	✓	×	×
Performance measures	✓	✓	✓
Targets	✓	●	●

Note: × Not listed in document, ✓ listed in document, ● some listed in document.

Source: VAGO, from DHHS.

Figure 4B details the key differences between the targets listed in funding submissions and the targets listed in service agreements. In the funding submission DHHS referred to service provision for people experiencing homelessness. The activity

description and service agreements refer to new support periods. A client may have multiple support periods.

FIGURE 4B: Difference in performance measures and targets in funding submission, service agreements and activity description for the audited entities

Funding submission	Activity description	Service agreements
<p>Assertive outreach to approximately 120 people per year including:</p> <ul style="list-style-type: none"> • 20 clients supported to access and sustain long term accommodation • rapid access to emergency accommodation for 100 per cent of rough sleepers and homeless people who request this; • rapid access to health services for all rough sleepers and homeless people who undertake a health assessment; and • rapid access to longer term case management and housing support for all rough sleepers who are assessed as highly vulnerable. <p>Supportive housing teams in each site will support varying levels of intensity to sustain their housing across all sites over the two-year funding program.</p> <p>Annual targets for each location are:</p> <ul style="list-style-type: none"> • Frankston: 114 people • Dandenong: 114 people • Geelong: 114 people • Inner Melbourne: 342 people. <p>Modular units include six tenants at Norlane and Dandenong and five tenants Bacchus Marsh housed in one-bedroom units will be supported through this service at any one time.</p>	<p>DHHS funds HRSAP under activity code 20082 'Homelessness Transition Support', which combines HRSAP funding with other services.</p> <p>Performance measures and targets include:</p> <ul style="list-style-type: none"> • number of new support periods, referring users back to service agreements for individual program targets. • percentage of clients with an agreed case plan, with a target of 90 per cent. 	<p>DHHS service agreements cover all funding provided to an entity, listed by activity codes. DHHS funds HRSAP under activity code 20082 'Homelessness Transition Support'.</p> <p>Launch:</p> <ul style="list-style-type: none"> • Number of new support periods – 2707.96 • Percentage of clients with an agreed case plan – 0.01 per cent, or 100 per cent. <p>Neami:</p> <ul style="list-style-type: none"> • Number of new support periods – missing • Percentage of clients with an agreed case plan – missing <p>Haven:</p> <ul style="list-style-type: none"> • Number of new support periods – 662.01 • Percentage of clients with an agreed case plan – 160 per cent or 80 per cent.

Source: VAGO, from DHHS.

DHHS area offices collect performance data from the audited entities through SAMS2 at the entity and service agreement level. These targets are aggregate, combined with all homelessness and family violence programs funded under the activity code 'Homelessness Transition Support'. As a result, they do not provide DHHS area staff with a clear understanding of progress against the HRSAP target for assertive outreach of 120 new support periods each year at each location.

Incorrect targets

We examined the three audited entities' service agreements and found errors in all three, as shown in Figures 4B and 4C:

- Both Launch and Haven had incorrect targets for the performance measure 'clients with an agreed case plan'.
- Neami's did not list the performance measure 'clients with an agreed case plan' or an associated target.

FIGURE 4C: Incorrect targets for performance measure 'clients with an agreed case plan' in audited entities' service agreements

Entity	Target (%)	Number of times error occurs in service agreement
Launch	0.01	42
Haven	160	2

Source: VAGO, from DHHS data.

These inconsistencies create confusion for entities about the level of service they are funded to provide and create challenges for DHHS's performance monitoring and management. DHHS has provided various explanations for these inconsistencies:

- In the case of Launch, DHHS staff advised us an arbitrary target is entered when the SAMS2 system requires a target to be entered before finalising the agreement.
- In the case of Haven, DHHS staff advised us it was an administrative error that has since been corrected.

We note that we also identified performance measure issues such as this in our 2018 audit *Contract Management Capability in DHHS: Service Agreements*.

Unclear expectations for performance measures

DHHS funds HRSAP programs under the Homelessness Transition Support Activity Code 20082. Under this code, there are two performance measures:

- the number of new support periods
- the percentage of clients with a case plan.

The aggregate activity code means that HRSAP program level requirements are not clear. We found confusion within DHHS and audited entities about what the relevant performance measures are under the activity code.

DHHS's central office advised us in December 2019 that 'the only performance measure relevant to HRSAP commitments within 20082 is the number of new support periods. There were no targets allocated to percentage of clients with an agreed case plan'. This is contrary to the service agreements which reference the activity code and case plan requirements.

However, DHHS has not provided documentation to support its position that no targets were allocated for case plans at the HRSAP program level and did not communicate this to area staff and entities. Audited entity staff and DHHS staff consistently report the percentage of clients with a case plan as a measure for HRSAP entity performance, with reference to the requirements of the activity code.

In response to our audit findings DHHS has started two initiatives:

- It has developed new business rules for contract management, which attempt to ensure that funded entities understand exactly what they must deliver.
- It is reviewing and streamlining its homelessness funded activity codes to ensure they are consistent and clear. DHHS currently uses 27 homelessness service activity codes to buy programs and monitor performance and is seeking to reduce this to nine.

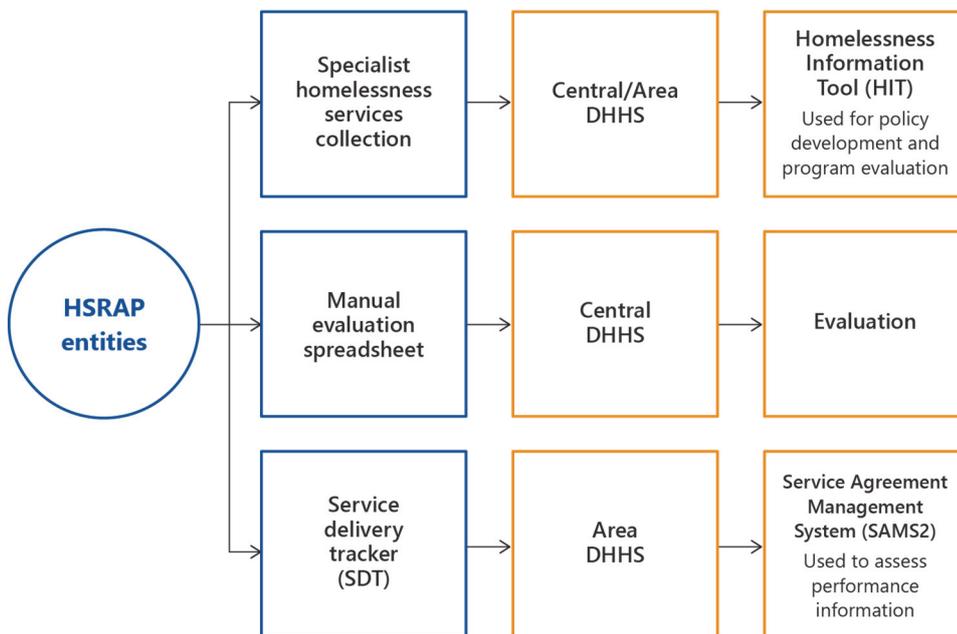
4.4 Establishing data collection for performance monitoring

Systems and processes to measure performance

DHHS is responsible for implementing the systems and processes that collect entity data to measure performance. As detailed in Figure 4D, the audited entities provide data on HRSAP performance to DHHS via:

- the Specialist Homelessness Services Collection National Minimum Dataset, provided to DHHS monthly as the 'Homelessness Data Collection' and accessed by select DHHS staff via HIT
- monthly SDT reporting via the Funded Agency Channel and accessed by select DHHS area staff via SAMS2
- a bi-monthly manual evaluation spreadsheet
- manual emails to area offices, due to practice issues with SAMS2.

FIGURE 4D: **Flow of entity data**



Source: VAGO, from DHHS.

Duplication of data collection

Between November 2018 and June 2019, the DHHS evaluation team designed a manual spreadsheet to collect data for the evaluation.

During the development of this spreadsheet, DHHS gave stakeholders multiple opportunities to contribute their views and raise issues, including:

- an online survey
- face-to-face meetings
- a pilot of the spreadsheet.

Despite this engagement, entities report that they already capture much of the information in existing data requirements, such as monthly reporting to DHHS.

We found most duplication between evaluation data and monthly reporting to DHHS is in the client background and demographic fields. Additional information is collected in the evaluation spreadsheet, which directly links to requirements in HRSAP, such as whether:

- a client received items or services using flexible brokerage, and the worker's assessment of the impact of the flexible brokerage on the client's needs and engagement with homelessness services
- a health professional has developed a physical health care plan based on the client's needs, and the health concern is being addressed as part of the case plan
- the client has been provided with stable and suitable housing between 12 to 25 weeks after their initial assessment and planning.

DHHS advised us that it developed the manual data collection tool as a pilot to detect the key barriers for outcome driven reporting of program-level data.

DHHS has acknowledged that the manual evaluation tool is an administrative burden on homelessness services. It states it will consider how to reduce this burden but needs to balance this with the need to obtain data that goes beyond existing data collections.

Incorrect annual performance targets

The audited entities report performance information each month via the Funded Agency Channel. DHHS area staff use the SDT in SAMS2 for monitoring and reporting performance against targets. SDT is an online tool within the Funded Agency Channel where entities submit performance data on a monthly basis.

In May 2019, DHHS recorded incorrect annual targets in SAMS2 for HRSAP programs. DHHS did not correct the errors in SAMS2 until February 2020 as DHHS only makes corrections in its system at certain times during the financial year. We confirmed that this correction occurred, but the delay meant DHHS area office staff could not measure and report on performance against correct targets in SAMS2 for 10 months of a two-year program.

Inconsistencies in audited entity evaluation data

We examined the audited entities' manual evaluation spreadsheets from 1 March to 31 December 2019. We found inconsistencies in Launch's data, such as incorrect

client numbers, which could impact on the quality of data and its usefulness for DHHS's evaluations.

DHHS provided the manual evaluation spreadsheet template to entities on 1 July 2019 and requested that they backfill data from the date they began service delivery.

Haven and Neami have incorporated the spreadsheet into their respective case management systems and complete it as part of their usual case management reporting. Launch continued to use the manual spreadsheet and did not incorporate it into their case management system.

We found that Launch did not always complete the manual evaluation spreadsheet. Its manual evaluation spreadsheet captured 157 clients, whereas its case management reporting system captured a total of 230 clients (114 at Dandenong and 116 at Frankston). Launch confirmed that data was incomplete and noted that this was probably because the manual evaluation spreadsheet was developed after Launch started providing services to clients.

This inconsistency may indicate a broader data quality issue with entities entering data in a manual spreadsheet. DHHS is aware of data quality issues and contacted entities in December 2019 to advise that 'the data paucity and limited program maturity significantly impact data quality.' However, they did not identify specific errors or provide entities with advice on how they should improve data quality.

DHHS advised us that it is aware that manual templates are more likely to include data errors, and identification of these issues is part of the broader homelessness evaluation. DHHS should have addressed its concerns about the data quality of HRSAP to ensure that it could use the data for effective performance evaluation.

In response to our findings, DHHS said that the evaluation team will consider the discrepancy in Launch's data when conducting its analysis.

Misrepresenting entity performance

As discussed in Section 3.8, there were delays in Neami tenanting the modular units and one unit remained vacant for four months. Despite this, DHHS performance monitoring data shows Neami achieving its performance target for the modular units. This practice does not hold entities accountable and fails to ensure limited resources are fully used.

4.5 Using data to understand entity performance

DHHS does not effectively use the data it collects to understand entity performance against the HRSAP objective to reduce the incidence and impacts of rough sleeping.

Homelessness Information Tool

DHHS can access and analyse Homelessness Data Collection program level data via the HIT. However, DHHS could be using this data more effectively to understand and compare entity performance.

DHHS advised us it does not use HIT for performance monitoring but uses it for policy development and program evaluation. DHHS's Community Services Operations Division has purchased additional licenses and begun rolling them out to area staff

from May 2020, limited to two per area. However, DHHS has stated that it will still not use HIT for measuring agency performance.

Linked data

Linked data can support evidence-based insights to improve planning and service delivery. Linked data uses records across different datasets which belong to the same person, family, place or event in a way that protects individual privacy but can be used for analysis. DHHS could use linked data to show a person’s pathway through service systems, such as health, human services and justice.

DHHS’s Centre for Victorian Data Linkage aims to increase data linkage capacity in Victoria. It uses statistical linked keys to identify records for data that are for a person, family or event in a way that protects privacy and can be used for analysis.

DHHS is not using linked data for planning, performance monitoring, or in its evaluation of HRSAP. DHHS advised us that linked data is only linked twice a year, typically months after the reporting period ends, and it is not meant to be used for operational purposes. DHHS also said ‘linkage requires a new project with methodology, new approvals, dedicated analysts and substantial time to undertake, which is too onerous.’

However, DHHS uses Census data, which is only collected every five years, and StreetCount data, which is collected bi-annually.

VAGO linked data analysis

Figure 4E shows our use of linked data to highlight the volume and variety of services that HRSAP clients were accessing from 1 January to 30 June 2019.

The data below shows the activities of 371 HRSAP clients across the audited entities from 1 January and 30 June 2019. HRSAP acknowledges that people who are rough sleeping often have complex needs that go beyond their need for housing and may require referrals to specialist services. As seen in Figure 4E, HRSAP clients most often accessed mental health services and hospital emergency departments.

FIGURE 4E: **HRSAP client contacts between 1 January and 30 June 2019**

Entity	Admitted hospital episodes	Emergency department presentations	Alcohol and drug contacts	Mental health contacts	Family violence contacts	Total
Haven	34	191	132	538	29	924
Neami	37	106	29	375	6	553
Launch	67	286	74	1 112	4	1 543
Total	138	583	235	2 025	39	3 020

Note: Data is for 371 individual HRSAP clients who accessed these services between 1 January to 30 June 2019. These clients may be counted multiple times across different hospitals and related facilities.

Source: VAGO, from DHHS linked data.

Qualitative data

DHHS does not capture qualitative data, including lived experience, to understand HRSAP audited entities' performance.

DHHS guidelines outline that the experiences people have when they use community services are a good source of information about the quality and safety of those services. We found that DHHS is not collecting HRSAP-specific client feedback via interviews, focus groups or surveys to understand performance, or as part of its evaluation.

Entity staff expressed concern that DHHS does not capture individual client outcomes when measuring performance. DHHS performance data captures the number of support periods and percentage of case plans. DHHS's evaluation captures more detailed information such as workers' assessments of the impact flexible packages have on clients' needs, and physical/mental health concerns being addressed as part of clients' plans.

Entity staff advised us that a great outcome for an individual client could be having a chat to a HRSAP worker, so they have some social connection, or going to a doctor for the first time in years. DHHS does not collect this type of information.

Lived experiences

DHHS advised us that it captures lived experiences through the CHP Peer Education Support Program, a volunteer program that provides people who have experienced homelessness with opportunities to improve the service system through involvement in activities including working groups and committees, surveys and presentations. A graduate of this program also sits on the MAC.

In September 2019, the MAC held a workshop with nine people who have lived experience of homelessness and are on advisory group to inform DHHS's reform of the sector. DHHS did not include a HRSAP client in this workshop. We discuss the MAC further in Section 4.7.

DHHS area staff cannot effectively monitor program performance

As outlined in Section 4.4, DHHS area staff use the SDT to monitor entity performance. However, the SDT does not capture program level data. Because of this this, we identified instances where DHHS area staff needed to rely on entities' self-reporting to understand the performance of HRSAP programs.

In one case, DHHS area staff asked Haven for data on the performance of their assertive outreach programs in preparation for a ministerial visit. When Haven explained that it already submitted the data monthly to DHHS, the area staff said that they only had access to aggregate data, and not the data that Haven sent to DHHS's head office. This highlighted the area offices' inability to oversee an entity's individual performance at the program level.

DHHS's inability to monitor performance was also highlighted when Launch wanted to benchmark its performance against other entities and discussed this with DHHS area staff. DHHS area staff described the SDT as a 'crude tool' and noted the limitations of the data. Specifically, they noted that HRSAP activities are funded under the Homelessness Transition Activity Code 20082, along with 'a range of different programs with different objectives'.

From May 2020, nominated DHHS area staff have been able to access the HIT. While the HIT is not used by DHHS for performance monitoring, it provides DHHS area staff with access to program level data that the SDT does not. Staff from DHHS's head office told us that they enhanced SAMS2 in 2019 to enable DHHS to report performance at the sub-activity level for Children and Family Services funding. However, DHHS has no plans to roll out similar enhancements for homelessness funding.

DHHS assessment of audited entities as high-risk

DHHS uses a variety of information and data sources to inform its risk assessments of entities under its Agency Monitoring Framework, including:

- allegations or investigations of the quality of services provided to clients, or the substantiation of abuse
- recommendations from external authorities to improve quality and safety
- complaints about an entity
- evidence of poor performance against targets
- the level of funding
- where the services provided by an entity would be difficult to substitute.

DHHS assessed all three audited entities as high-risk in December 2019. The reasons for these ratings include that:

- each of the entities receive more than \$5 million in funding and provide client-facing services
- Launch and Neami are sole providers of key services
- all three entities have activities in SDT where they are not meeting 50 per cent of their target.

As high-risk entities, the auditees are subject to increased monitoring activities, such as more frequent meetings.

As SDT only tracks aggregate performance against the Homelessness Transition Support Activity Code 20082, entity performance for HRSAP programs did not specifically inform DHHS's risk assessment, as DHHS staff did not have access to HRSAP specific data.

4.6 Opportunity for data analysis

Worker client file notes are a rich source of information. This data is unstructured, and so can be overlooked as a valuable data source.

We sourced 12 months of case file notes from Launch and Neami, representing over 10 000 file notes for 445 clients.

We analysed these using natural language processing and developed a tool for the audited entities to build on.

We developed word clouds from the entity data where the size of each word indicates its frequency in the case files notes, as detailed in Figure 4F.

Unstructured data is typically text heavy and contains dates, numbers and facts.

Natural language processing aims to read, understand and make use of language through using a large amount of text.

example why a negative sentiment may have been detected, while positive sentiments may demonstrate what has worked well in the engagement.

4.7 Ministerial Advisory Committee

Public reporting against HRSAP objectives

Transparency through public reporting and oversight is important for public trust in government.

The government made commitments to transparency and accountability to the community in HRSAP, including through the establishment of an advisory committee. Throughout the HRSAP, the MAC has reported exclusively to the Minister for Housing, and its meetings are confidential. There is no public reporting by the MAC. The MAC has shared some information about its activities, including nine consultation sessions with the homelessness sector and other stakeholders and a presentation at a CHP conference on 15 October 2019.

Accountability through public reporting is fundamental to good government and allows external scrutiny by the community of government service delivery performance.

The MAC did not meet in accordance with its terms of reference

The MAC's terms of reference require it to meet at least every two months or at more regular intervals as directed by the co-chairs.

Despite statements in HRSAP that the MAC would monitor the HRSAP commitments made, the MAC held no meetings for the six months between 25 October 2018 and 5 May 2019, a crucial period when audited entities implemented HRSAP programs.

DHHS advised us that this gap was due to a number of factors, including the November 2018 state election, the Christmas period and the need to brief the new Minister on the work of the MAC. The committee did not meet formally again as a MAC until the new Minister for Housing invited it to reconvene. DHHS did not implement any interim measures to address the oversight gap during this period.

Minimal reporting or evaluation on HRSAP initiatives by DHHS to the MAC

DHHS has provided minimal reporting or evaluation outcomes on HRSAP initiatives to the MAC. DHHS provided four traffic light implementation reports, which specifically reference HRSAP, between 3 July 2018 and 5 September 2019. DHHS has not advocated for greater scrutiny of HRSAP by the MAC, and the meeting minutes agendas and discussions with the chairs confirm that the MAC's primary focus has been future homelessness initiatives.

In May 2018, DHHS's Secretary approved an evaluation of homelessness sector initiatives, which includes elements of HRSAP. We further discuss this evaluation in Section 4.9. Given HRSAP stated that the MAC would have a role in informing the reform of the homelessness service system, we would expect that the MAC would seriously consider the evaluation. However, the reporting has been minimal:

- DHHS provided one verbal report on the overall progress of the evaluation to the MAC on 26 June 2019.

- DHHS provided the MAC with a copy of draft evaluation outcome measures on 22 July 2019.
- The MAC requested a further update on the evaluation in November 2019.

DHHS advised us that its update to the MAC on HRSAP has been delayed, as meetings have focused on COVID-19. DHHS also stated that any evaluation of performance requires a level of program maturity. HRSAP will be formally evaluated and DHHS will report the findings of the evaluation to the MAC. DHHS has confirmed that the evaluation of HRSAP has been delayed and will now report in December 2020.

4.8 DHHS reporting to its executive board

Limited oversight of the performance of HRSAP programs is compounded by limited internal reporting. DHHS has not reported to its executive board about the implementation of HRSAP initiatives. This is despite the HRSAP being a Victorian Budget 2018–19 Budget Paper No. 3 output initiative.

DHHS advised us that it does not generally incorporate time-limited funding, such as HRSAP, into formal corporate reporting.

Given that the government described HRSAP as 'the foundation' of its strategy to reduce and prevent homelessness, it is concerning that there is no evidence of reporting to the DHHS executive board. HRSAP should be subject to appropriate levels of scrutiny, including whether it is on track to achieve its objectives.

Budget Paper No. 3 provides an overview of the goods and services funded by the government and delivered by departments, and how these support the government's priorities.

4.9 DHHS's evaluation of new homelessness initiatives

Investments in homelessness initiatives not evaluated

DHHS did not evaluate its investment in homelessness initiatives, which have cost about \$1.4 billion since 2014. While a multi-program evaluation of funded homelessness initiatives is now occurring, which includes parts of HRSAP, it has limitations that may reduce its ability to effectively inform future homelessness programs.

In May 2018, a briefing was provided to the DHHS Secretary for approval of an Evaluation of New Homelessness Initiatives, including elements of HRSAP, which stated that:

- Victoria's homelessness service system lacked robust outcomes-focused evaluation
- there was little evidence of what works across the HRSAP themes of early intervention, providing stable housing and support to maintain housing
- since June 2016, about \$200 million had been invested in 20 new initiatives to test outcome-focused approaches for people experiencing or at risk of homelessness
- an evaluation was essential to ensure that significant investment is well-targeted to effective interventions that work for priority cohorts and represent value for money

- evaluation findings would build an evidence base to inform government decision-making and further design and investment in homeless interventions
- the evaluation had an estimated total cost of \$1 million.

Demonstrating the lack of past evaluations of homelessness initiatives, a 2019–20 briefing to the Minister for Housing from DHHS stated that 'Victoria's [HRSAP] initiatives are informed by and build on the Towards Home projects'. However, Towards Home was implemented in 2017 and DHHS is only now evaluating it.

DHHS advised us that the evaluation is set up in four stages, and it has made available to the sector a summary with findings from each preliminary report. HRSAP elements are the last phase of the evaluation, and DHHS advised us that it is working on 'public-facing deliverables for the program-level evaluation'.

When we asked for evidence of reporting beyond the sector, DHHS referred to a request to the CHP to publish information about their evaluation on the CHP website. The information published by the CHP outlines the four stages of the evaluation and provides preliminary results for the first and second phases of the evaluation only. The audited HRSAP programs are part of the final stage of the evaluation and therefore these bulletins have not included specific information about these initiatives.

While DHHS has provided the entities with interim evaluation results, DHHS does not intend to make this information available beyond the sector.

Need to 'retrofit' outcomes for HRSAP evaluation

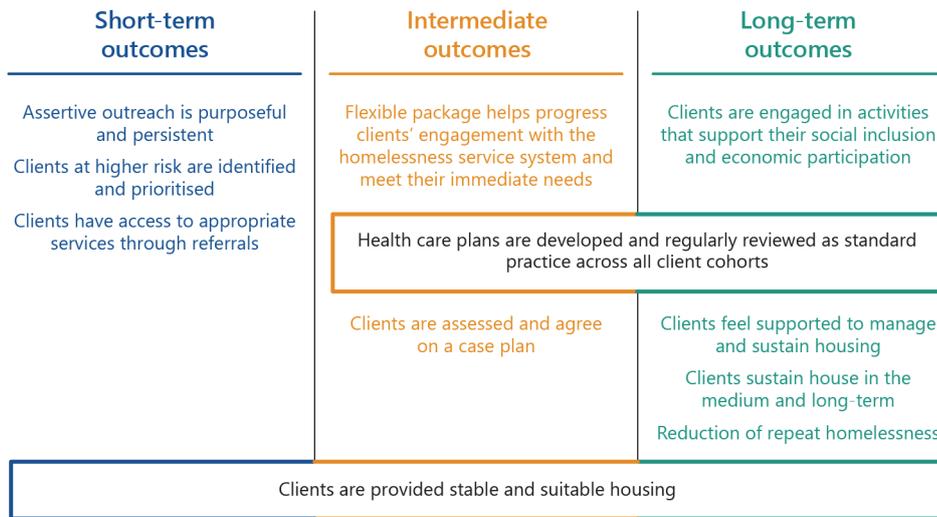
In April 2019, the Victorian Government released *Outcomes Reform in Victoria*, which explains that outcomes prompt the question of whether government activities are achieving their intended impact and enable the measurement of change.

As discussed in Section 4.3, DHHS's performance targets for HRSAP initiatives are limited to the number of new support periods and the percentage of clients with a case plan. These measures do not capture outcomes, or whether DHHS has achieved the intended impact of HRSAP.

DHHS evaluation staff reported that they had to 'retrofit' outcomes for the DHHS evaluation of HRSAP initiatives. DHHS's evaluation captures 11 'outcomes' over the short, intermediate, and long term, as detailed in Figure 4G.

Outcomes are clear, unambiguous and high-level statements that articulate what success looks like.

FIGURE 4G: **Evaluation outcomes from HRSAP programs**



Source: VAGO, from DHHS.

DHHS's practice of retrofitting HRSAP outcomes means that there was no agreed set of measures from the outset that the audited entities could work towards and incorporate into their business plans.

HRSAP evaluation is capturing outputs

The evaluation 'outcomes' for HRSAP at times capture outputs instead of outcomes.

The evaluation captures the number of clients with a health plan or case plan, and the number of assertive outreach attempts and contacts for each client. These measures are relevant to HRSAP's design and service delivery and may be used to inform resourcing and funding decisions. However, they do not capture the impact of these activities for the clients, or if HRSAP is achieving its objective of reducing the incidence and impacts of rough sleeping.

DHHS agrees that the HRSAP evaluation contains a mix of output and outcome measures, but states that this is deliberate as it 'pilots incremental improvement in how to design, define, collect and share information with homelessness service providers.'

Through the manual data collection evaluation spreadsheet, DHHS advised us it is trying to capture information about certain program design elements and service delivery requirements not captured or accessible in existing data collections to, for example, inform funding decisions.

Modular housing in the evaluation

Modular housing is an integral element of some of the audited entities' HRSAP programs. Significant delays in their construction, as discussed in Section 3.8, will limit the information available for the evaluation, and the evaluation is now not expected to report until December 2020.

Outputs are the number of activities delivered, products produced, or clients served.

Construction delays by DHHS and delays in tenancing by Neami, meant that the modular housing units were not fully tenanted until March 2020, 15 months after the initially proposed HRSAP services commencement date of January 2019.

This means a critical component of HRSAP programs may not be effectively evaluated to inform future DHHS policy development and program implementation. These delays also affect audited entities' housing placement performance data.

No plans for public reporting on the results of DHHS's evaluation of new homelessness initiatives

As yet, DHHS has no plans to publicly report on the results of the evaluation of new homelessness initiatives.

An internal briefing to the DHHS Secretary in May 2018 said that DHHS could use the evaluation findings to inform future funding decisions. The briefing also confirmed that some homelessness initiatives were only funded until June 2020. However, the DHHS evaluation of HRSAP is not due to report internally until December 2020. Therefore, its ability to inform future funding is limited given HRSAP programs are only funded until December 2020.

In response to this, DHHS advised us that it has:

- used the evaluation of new homelessness initiatives to inform funding decisions since it commenced in July 2018
- used data collected for its programs, including HRSAP's manual data collections in dealings with the Department of Treasury and Finance
- committed to publicly report on findings from the evaluation of new homelessness initiatives, including HRSAP.

However, DHHS has not provided evidence of the use of evaluation data or any reporting aside from that to the homelessness sector. In contrast to this advice, DHHS staff also informed us that reporting is limited to the sector and will not be provided to the broader public and that this would require endorsement of the Minister for Housing.

Limited evaluation information provided to entities

Benchmarking can be used to identify opportunities for improvement. However, DHHS does not permit sharing of entity-level data across entities.

DHHS has informed the entities that they will receive some information about the outcome of the evaluation, but it will be de-identified aggregated data. This means that entities may not be able to easily benchmark their performance or learn from other entities and improve their performance. DHHS states that the entities can benchmark by using their own data and comparing it with the overall results. While this will give some useful feedback, providing more detailed information to allow entities to compare against similar organisations, or identify organisations demonstrating better results that they might learn from, would further assist.

Benchmarking is the process of measuring the performance of an entity against those of another entity providing a similar service to enable comparison.

4.10 Opportunities for continuous improvement

The audited entities are using a range of innovative practices to help clients, but there is little evidence that DHHS is monitoring and sharing this information to maximise outcomes.

Ongoing improvements to contract management

In September 2018, we published *Contract Management Capability in DHHS: Service Agreements*. DHHS accepted our recommendations in this report and has been working to implement them via a Contract Management Committee. Through its reform work DHHS has developed and implemented a new risk-based agency monitoring framework, issued a new service agreement and revised its service agreement business rules to strengthen its oversight of funded programs.

Using performance information to drive continuous improvement

When we asked DHHS how it has used performance information to assess and report on HRSAP initiatives, DHHS advised us on 13 December 2019 that 'there is no evidence at this stage given the initiatives have only recently commenced.'

At the time of DHHS's response, it had received 10 months of performance data from the audited entities, which had reported each month since the HRSAP began, along with interim evaluation data. However, it has failed to use this data to assess and report on HRSAP initiatives.

Sharing good practices

Information sharing is key to delivering better and more efficient services. DHHS has no formal structure for sharing good practices among HRSAP entities.

DHHS's central office does not have regular contact with its service providers on better practice in homelessness services. Instead, DHHS area level staff communicate with individual providers.

However, DHHS is facilitating the following broad information sharing activities:

- In late November 2019, DHHS started to develop an internal working group to oversee the assertive outreach and supportive housing teams at a state-wide level. DHHS said that the working group will provide an opportunity for local DHHS areas to share learning, raise concerns and manage risks. However, this is an internal DHHS staff opportunity only.
- DHHS generates quarterly sector reports which it publishes on the Funded Agency Channel. These reports are by local government area, and do not contain information that would allow service providers to compare their performance with other HRSAP entities.
- DHHS has engaged CHP to work with the sector on HRSAP initiatives, conduct training and host community of practice meetings. CHP appointed a project manager who developed resources for the specialist homelessness services sector on housing first and assertive outreach. The project manager also delivered three training sessions for assertive outreach workers in 2019 and organised a forum with 60 attendees on 21 August 2019. However, only some entity staff knew about these opportunities when we interviewed them. In particular, staff at Neami were consistently unaware of them.

We found a range of innovative practices implemented at audited entities, but no evidence that DHHS is collecting or sharing this information across the sector.

Innovative practices include:

- Haven's assertive outreach teams using a van and ute, which they have fitted out with coffee-making facilities, first aid items, blankets, and water
- Neami's StaySafe application, which can provide real-time tracking of staff when they are with clients and send alerts if staff do not check in as planned
- Neami's use of the Running Man application, which allows it to record where assertive outreach workers have been on their patrols and set alerts of where they have found rough sleeping sites or where there may be worker safety issues
- Launch's addition of a field in its case management system to capture GPS location data of where people are sleeping rough, which can then generate Google Maps and show where people are in the area to inform its outreach activities.

Innovation helps to identify opportunities for service improvement, which is vital when dealing with vulnerable clients and limited funding. As the lead department for homelessness initiatives, DHHS should encourage and lead the sharing of innovative practices across entities to maximise both available funding and client outcomes.

APPENDIX A

Submissions and comments

We have consulted with DHHS, Haven, Launch and Neami, and we considered their views when reaching our audit conclusions. As required by the *Audit Act 1994*, we gave a draft copy of this report, or relevant extracts, to those agencies and asked for their submissions and comments. We also provided a copy of the report to the Department of Premier and Cabinet.

Responsibility for the accuracy, fairness and balance of the comments submitted by audited agencies rests solely with the agency head.

Responses were received as follows:

DHHS	75
Haven	80
Launch	82
Neami	84



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BAC - 15417

Mr Andrew Greaves
Auditor-General
Victorian Auditor-General's Office
Level 31, 35 Collins Street
MELBOURNE VIC 3000

Dear Mr Greaves

Victoria's Homelessness Response

Thank you for your letter of 17 August 2020 providing the Department of Health and Human Services (the department) with the final report for the performance audit, *Victoria's Homelessness Response*.

We welcome the audit process and its findings, acknowledge the need for ongoing improvement in our management of *Victoria's Homelessness and Rough Sleeping Action Plan*, and remain committed to delivering effective and efficient outcomes in this critical area of government investment and action.

On behalf of the department, I accept the 13 recommendations identified in the report and attach an action table that outlines our proposed activities to acquit those recommendations, as well as identifying actions that are currently underway.

Homelessness is a complex area of public policy and service delivery, with involvement from all three levels of government and multiple government agencies. The number of rough sleepers, the experience of those rough sleepers, and their transition path to housing outcomes all depend on thoughtful, comprehensive and integrated action from all levels of government over time. No individual program can 'solve' rough sleeping, but each individual program must be managed effectively and efficiently.

Victoria's Homelessness and Rough Sleeping Action Plan is one element of the Victorian Government contribution towards these national challenges. It is an early demonstration of a broader approach in which the department will embark upon a bold and evidence-based response to homelessness and a more strategic approach to assisting people sleeping rough.

The Victorian Government's homelessness initiatives during COVID-19 demonstrate the continuation of this approach through the emergency response. In particular, the \$150 million '*From Homelessness to a Home*' package will require further improvements in our efforts to reduce rough sleeping and support housing outcomes that are safe, sustainable and stable.



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This work is only possible because of the capability and commitment of staff from community sector partners including Launch Housing, Haven, Home Safe and NEAMI and other providers of specialist homelessness services. We will continue to work with these service delivery partners and peak bodies, supported by our own highly capable team, to ensure that future assistance provided to homeless people is tailored and effective. This audit will assist in these important tasks and enable the department to ensure that the support provided is effective and clearly evidenced through our performance monitoring and evaluation activities.

Thank you for acknowledging our work in the context of COVID-19. While the pandemic has significantly impacted our activities, it has also strengthened our partnerships with service providers and our determination to improve outcomes for people who are rough sleeping.

I would like to acknowledge and thank your staff for their work and the professional manner in which they engaged with department staff.

Yours sincerely



Ben Rimmer
Associate Secretary
Department of Health and Human Services

31/08/2020

Response provided by the Associate Secretary, DHHS—continued

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Department of Human Services action plan to address recommendations from
Victoria’s Homelessness Response audit

No	VAGO recommendation	Action	Completion date
1	Establish governance arrangements so there is senior level oversight, clear expectations and internal reporting for the delivery and performance of homelessness initiatives at the program level (see Section 2.3).	Establish a clear reporting and risk escalation line to the executive that will better support executive oversight of the delivery and performance of homelessness initiatives.	A reporting line to a Steering Committee comprising senior DHHS executives has been established. This action was implemented during the audit process in preparation for the new funding allocations associated with COVID-19. Reporting on homelessness initiatives at program level is now ongoing.
2	Review and ensure that funding specification documents, service agreements and program guidance for homelessness initiatives contain consistent details on the objectives of the program, what entities are required to deliver and by when, and any other requirements as agreed (see section 2.2).	Progressively review funding specifications, service agreements and program guidelines for alignment and consistency, as part of the broader streamlining of funded homelessness activities.	30 June 2021
3	Ensure risk assessments are completed and risk management plans are in place for all homelessness initiatives (see Section 2.3).	A risk assessment and risk management plan will be developed prior to the implementation of the imminent \$150 million homelessness initiative.	31 October 2020
		Undertake risk identification and management training of HaAS staff to enable staff to conduct risk assessments for all new homelessness initiatives.	31 October 2020.
		Prepare risk assessments for all existing homelessness initiatives.	Subject to COVID-19 demands, by July 2021 for existing initiatives.
		Prepare risk assessments for all homelessness initiatives.	On-going as new homelessness initiatives are implemented.
4	In future provide contracted entities with program guidance prior to the commencement date of their services to assist with implementation and consistency of practice across entities (see Section 2.4).	The DHHS Contract Management Committee has endorsed new business rules that will require appropriate guidance to be in place before contracts are signed.	Changes to contract management have already been integrated into DHHS processes.
		The implementation of \$150 million <i>From Homelessness to a Home</i> package will be subject to an Expression of Interest process and the new business rules will be applied when contracts are signed.	Contracts for the new package are expected to be agreed by 1 November 2020.
5	Improve monitoring and reporting of new homelessness initiatives by setting meaningful performance measures and targets at the outset, to enable ongoing performance monitoring at a service provider, regional, state-wide and program level (see Sections 2.2 and 4.3).	As part of the guidance development in response to Recommendation 2, include information for agencies to enable them to embed appropriate data collection methods as part of their services; and the monitoring and reporting of new homelessness initiatives.	See Recommendation 2 timelines.
		Develop an improved response in relation to implementation of <i>From Homelessness to a Home</i> .	30 November 2020

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Response provided by the Associate Secretary, DHHS—continued

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No	VAGO recommendation	Action	Completion date
6	Ensure contracted entities have appropriate and timely transition arrangements for Homelessness and Rough Sleeping Action Plan program clients at the end of the program (see Section 2.5).	Continue to work with funded entities to ensure they are developing exit and transition pathways for clients as expressed in their funding submissions for the program.	This work is underway as part of case-planning with clients.
		Consider future of modular units in light of evaluation findings.	Evaluation will be completed by 30 December 2020.
7	Issue clarifying guidance to assist entities funded to deliver services under the HRSAP and improve compliance with requirements for: <ul style="list-style-type: none"> assessing client vulnerability (see Section 3.2) case and care planning (see Sections 3.5 and 3.6) use of flexible brokerage funding (see Section 3.3) client feedback and entity evaluations (see Sections 3.9 and 3.10). 	Develop and issue practice advice regarding areas of concern to ensure consistent practice amongst relevant agencies.	31 October 2020
8	Establish a process to better understand demand for homelessness and rough sleeping services in Victoria, including the establishment of baselines to measure the impact of programs (see Section 4.2).	Victoria continues to work with the national Homelessness and Housing Data Working Group.	This work in the NDIP is ongoing and will continue for the life of the NHHA agreement (due to end 30 June 2023).
		As part of the Housing and Homelessness national data improvement plan (NDIP), Victoria will participate with all jurisdictions, the Australian Institute of Health and Welfare (AIHW), homelessness peak bodies and service providers in the process led by the ABS to improve the enumeration, processing and estimation of all types of homelessness, including rough sleeping, as part of enhancements to the 2021 Census.	Any ABS enhancements for the Census 2021 data will be completed by end of 2021. This is beyond the control of any one jurisdiction although Victoria is engaged in the NDIP processes.
9	Review all data collections to streamline the reporting requirements for entities and minimise duplication (see Section 4.4).	Continue to enhance the minimum dataset collected and available through the Homelessness Data Collection to reduce the need for manual shadow data collections.	This action has already commenced and is ongoing as part of continuous improvement.
10	Increase the use of existing data, including linked data, qualitative data, and potentially unstructured data, to improve performance monitoring and decision making to support service delivery (see Section 4.5).	Continue to work with the Department of Health and Human Services Data Linkage Team to identify opportunities for discrete linkage projects to inform policy and program decisions.	Work is already underway using linked data to support service design and evaluation of efforts to house and support people with complex needs in temporary accommodation during the COVID pandemic. Similar work will be ongoing as the need and opportunity arises.
		Investigate discrete policy program designs, select an appropriate design (including a reporting dashboard) and implement the program to ensure the provision of appropriate, up-to-date data to the executive board.	By April 2021
		Review existing homelessness performance monitoring and devise measures for regular presentation to the appropriate DHHS governance group.	By 31 January 2021.
11	Report publicly, beyond the sector, on the outcome of the Evaluation of New Homelessness Initiatives in Victoria (including the Homelessness and Rough Sleeping Action Plan) (see Section 4.9).	Continue to share evaluation findings at a systems level with the homelessness peak body, Council to Homeless Persons.	Ongoing
		Develop communication products for the evaluation suitable for public dissemination (subject to necessary approvals).	28 February 2021

Response provided by the Associate Secretary, DHHS—continued

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No	VAGO recommendation	Action	Completion date
12	Provide homelessness services with benchmarked data to enable them to identify and address any performance gaps (see Section 4.9).	Quarterly release of data to Local Area Service Networks with ongoing review of analysis and inclusions.	30 September 2020 and ongoing as standard agenda item for quarterly meetings.
		Use evaluation, focused research, and agency input to review performance against client outcomes and promote improved approaches.	30 September 2020 - quarterly and ongoing as standing item for discussion at APSS meetings.
13	Measure outcomes and evaluate programs at a system-wide level and publicly report on results (see Section 4.9).	Develop communication products for the evaluation suitable for public dissemination (subject to necessary approvals).	28 February 2021

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www.havenhomesafe.org.au

27 August 2020

Mr Andrew Greaves
Auditor – General
Victorian Auditor General’s Office
Level 31, 35 Collins Street
MELBOURNE VIC 3000

Dear Mr Greaves,

Proposed Performance Audit Report – Victoria’s Homelessness Response

Thank you for your letter dated 17 August 2020, presenting the Final proposed report on Victoria’s Homelessness Response.

I understand that the provisional draft of the report was considered by Trudi Ray and I support the assurances given to you that the report does represent our involvement and responses accurately.

HHS valued the opportunity to participate in the audit and appreciates the way in which your staff carried out their work in such a professional and courteous manner.

HHS notes the final report and considers it to be a very balanced report acknowledging the gaps within the implementation and expectations of the program.

Whilst we acknowledge that not all service delivery led to a housing first response what we believe the conclusion under Item 3. Service delivery should also highlight is that audited entities such as ourselves where they did provide housing first outcomes, housed people mainly outside the traditional government social housing and community housing stock and secured accommodation through strong engagements with local real estate agents and landlords.

An additional point is regarding the commentary regarding multidisciplinary workforce that fails to include that HHS had established an MOU with Mallee District Aboriginal Service (MDAS) whereby as the auspice agency we would provide funding to them to hire an Aboriginal worker to support the provision of activities with our Outreach Worker. HHS met with local service agencies formulating the implementation plan of the program over several months which enabled the program to have partner engagement across the Homeless service system and DHHS across Swan Hill.

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The implementation work was instrumental in our Swan Hill project, and whilst unfortunately the arrangement with MDAS only remained in place for a short time, we were and are committed to a multidisciplinary work force where it is feasible. We believe this is an omission in the narrative under page 49 regarding this item.

Thank you for providing such a thorough, comprehensive insight into Victoria's Homelessness Response into Rough Sleeper Action Plan and the opportunity to be involved as we got much from this process.

If you have any further questions or require clarification in relation to the items outlined in this letter, please do not hesitate to contact Trudi Ray.

Yours Sincerely,

per:

Ken Marchingo

CEO



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27 August, 2020

Mr Andrew Greaves
Auditor-General
Victorian Auditor-General's Office
Level 31, 35 Collins Street
MELBOURNE 3000

Dear Mr Greaves

Report: Homelessness and Rough Sleeping Action Plan (HRSAP)

Launch Housing welcomes the Victorian Auditor-Generals report (the VAGO report) into the impacts of rough sleeping through the Homelessness and Rough Sleeping Action Plan (HRSAP).

Everyone needs a safe place to sleep at night and the provision of practical supports and housing for people sleeping rough is a critical task for government and something the community wants to see solved. The COVID-19 pandemic highlights the special vulnerability of this group of Victorians to adverse health outcomes. Homelessness is not only a serious housing issue, it is also a serious health inequity. This is reflected in the level and pattern of morbidity with many interconnected health issues made worse by an absence of housing.

There is a pressing need for more housing and supports tailored to individual specific need.

The VAGO report notes the persistent lack of safe and secure housing for people experiencing homelessness - this sad reality is the day-to-day experience of many Launch Housing staff. Not solving or meeting someone's basic human can also be traumatising.

Launch Housing supports measures that deliver new forms of social and affordable housing that leverages the strengths of the community housing and homelessness sector, private industry and government. This includes the targeted provision of rental brokerage to assist anyone experiencing rough sleeping into housing, wherever possible.

At an operational level, Launch Housing will continue to improve our service practice. For instance, we have remedied how we develop case plans for clients receiving support through the Homelessness and Rough Sleeping Action Plan (HRSAP). Launch Housing assertive outreach teams now complete documented case plans for all of our clients, including rough sleepers. We have also improved how we garner and respond to client feedback; consistent with our approach to value the lived experience of clients.

The VAGO report spotlights the importance of a Functional Zero approach to street homelessness. A community reaches Functional Zero when there are enough support services for every person sleeping rough in a local area to quickly move into housing.

Response provided by the Chief Executive Officer, Launch—*continued*

This Housing Fast approach is a critical part of Launch Housing's plans to leverage and extend the Port Phillip Zero project – the first Functional Zero project in Victoria – to end rough sleeping in Melbourne.

The report also is a timely reminder of the need to have sound outcome measures and for government and the NGO sector to demonstrate impact.

We agree with recommendation 13 of the report that the Department of Health and Human Services (DHHS) should evaluate programs at a system-wide level and publicly report on results. Open access to linked data held by DHHS is a necessary precondition for this to occur. Many clients are frequent users of multiple services such as hospitals, ambulance, mental health and justice system services. We strongly support steps to make available linked data as it is a valuable tool to show a person's pathway through different service systems.

In conclusion, Launch Housing looks forward to working with DHHS and other agencies to end street homelessness. It is a problem with a practical solution. There are proven local approaches that can, in a coordinated and targeted way, monitor and reverse the level of street homelessness so that Melbourne can be one of the world's most liveable cities – for everyone.

Yours faithfully



BEVAN WARNER
Chief Executive Officer



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31 August 2020

Mr Andrew Greaves
Auditor-General
Victorian Auditor-General's Office
Lebel 31/35 Collins Street,
MELBOURNE VIC 3000

Dear Mr Greaves,

PERFORMANCE AUDIT REPORT - VICTORIA'S HOMELESSNESS RESPONSE

Thank you for your letter of 17 August 2020 providing an opportunity to respond to VAGO's proposed performance audit report.

Neami values the opportunity to participate in the audit and appreciates the professional nature of the work carried out, particularly under the challenges of the current pandemic environment. We note the audit's findings and recommendations. Having stable housing and a home is a key determinant of physical and mental health and something which government has the ability to directly impact. For Neami the Report's recommendations highlight the need for:

- A long-term strategy and plan to address this wicked problem.
- Increased per capita spending on social housing in Victoria at least up to the level of the national average.
- Implementation of a Functional Zero approach to homelessness in Victoria along the lines introduced in several cities in the US and Adelaide, South Australia.
- Access to linked data so that the impact of homelessness programs can be evaluated by tracking clients' interactions with other programs or services.
- Longer term funding contracts for homelessness programs.

If you would like more information or have any queries, please don't hesitate to contact Glen Tobias (Victorian State Manager) on 0416 178 664 or at glen.tobias@neaminational.org.au.

Yours sincerely,

Tom Dalton
Chief Executive Officer
Neami National

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APPENDIX B

Acronyms and abbreviations

Acronyms

AIHW	Australian Institute of Health and Welfare
CHP	Council to Homeless Persons
DHHS	Department of Health and Human Services
HIT	Homelessness Information Tool
HRSAP	<i>Homelessness and Rough Sleeping Action Plan</i>
MAC	Ministerial Advisory Committee
SAMS2	Service Agreement Management System
SDT	Service Delivery Tracker
VAGO	Victorian Auditor-General's Office

Abbreviations

Haven	Haven; Home, Safe
homelessness services	Specialist Homelessness Services
Launch	Launch Housing
Neami	Neami National

APPENDIX C

Scope of this audit

Who we audited	What we assessed	What the audit cost
DHHS Haven Launch Neami	We assessed whether DHHS has reduced the incidence and impact of rough sleeping through the implementation of HRSAP. We also assessed if three homelessness services funded by DHHS (Haven, Launch and Neami) had delivered HRSAP programs and activities that support this goal.	The cost of this audit was \$670 000.

Our methods

As part of the audit we:

- interviewed staff from DHHS and the audited entities
- reviewed key DHHS and audited entity documents, including performance reporting and client file records
- visited audited entity offices and observed known rough sleeping locations in service areas
- undertook analysis of entity client data
- consulted with stakeholders, such as peak bodies and professional organisations.

We conducted our audit in accordance with the *Audit Act 1994* and ASAE 3500 Performance Engagements. We complied with the independence and other relevant ethical requirements related to assurance engagements.

Unless otherwise indicated, any persons named in this report are not the subject of adverse comment or opinion.

APPENDIX D

HRSAP client case studies

During interviews, audited entity staff provided examples of the work they have done with clients and later supplied supporting evidence such as file notes. We have de-identified these examples.

Haven case examples

FIGURE D1: **Complex rough sleeper moving through HRSAP programs**

'Sydney' is a 39-year-old with substance abuse issues.

Police notified Haven when they found Sydney living in their car and in a distressed state.

Sydney was initially reluctant to engage with Haven workers and verbally abused them. The workers were concerned for Sydney and so waited nearby. Sydney later approached the workers and said that they wanted to enter residential rehabilitation for substance abuse.

Haven attempted to find a residential placement for Sydney, but none were available and waiting lists were several months.

Haven workers attended hospital with Sydney, as Sydney was distressed. The workers negotiated with the hospital for Sydney to remain overnight. The hospital discharged Sydney the next day into the care of a Haven worker.

Haven used flexible brokerage to find Sydney a motel room and supported Sydney through detox over 10 weeks. During this time, Haven workers took Sydney to doctor, mental health and alcohol and drug counselling appointments. Haven workers also took Sydney for drives and walks and other activities that allowed Sydney to relax and speak freely with workers.

Sydney is now attending appointments without support and is more confident and relies on the Haven workers less. Sydney is now drug-free,

has gained 30 kilograms to be a healthy weight, is employed, has private rental accommodation and has recommenced access visits with their young child.

Haven workers reported that Sydney had to relearn simple skills like using a washing machine and shopping for household goods. This took time and required intensive support.

Sydney has said to workers that all it took to motivate them to recover from substance use was 'for someone to care.'

FIGURE D2: **Crisis housing success**

'Billy' grew up in foster care after being removed from their parents' care due to neglect.

Billy became a parent for the first time at 15 years. Billy has four children, all of whom are in out-of-home care.

Billy has battled drug addiction for years and a recent drug conviction made Billy reassess their life.

Billy had escaped family violence, which resulted in Billy living on the streets of Melbourne for months. Billy decided to reconnect with their biological parents who Billy had not seen since they were a child. Billy lived with them for a while, but the relationship broke down and Billy became homeless again.

Haven used flexible brokerage to temporarily house Billy in a caravan park. Billy was self-sufficient financially through employment within two weeks.

Billy began volunteering at a local soup kitchen.

Billy had applied for private rental accommodation in the area but had no success. Eventually, Billy decided to apply for a house in a nearby rural community. Within three weeks of moving to the new home, Billy was employed.

Billy's relationship with Billy's biological family has improved, and Billy's children now have contact with Billy.

Launch case examples

FIGURE D3: **Success for a long-term rough sleeper**

'Lee' has been sleeping rough under a bridge for five years. Lee has substance abuse and health issues.

Launch helped Lee to get identification and a bank card.

Launch then built a relationship with staff at the local bank branch that allows Lee to access their funds even if Lee has lost their card. This allows Lee to access their own money, which helps Lee control their anger and frustration.

FIGURE D4: **Health assessments and links to other services**

'Ash' is a 55-year-old who is homeless and had been sleeping rough for about 12 months after a relationship breakdown.

Launch assessed Ash as needing an intensive support housing option.

Launch is working with Ash to secure an occupational therapy assessment, which will then help Ash with a National Disability Insurance Scheme application.

Neami case examples

FIGURE D5: **Assisting with health outcomes and links to other services**

'Max' is in their mid-40s and had been living in a tent in a backyard.

Max had been homeless for three years since the closure of a hotel where Max previously lived.

Max suffered a stroke five years earlier and suffers from depression and anxiety. Max has been deemed by medical professionals to be 'unfit for work' but is not receiving a Disability Support Pension.

Neami engaged Max and arranged for Max to attend an emergency dental appointment.

Neami is working with Max to improve Max's health and work towards long-term housing.

FIGURE D6: Housing first application challenges, and success with transitional properties

'Charlie' is a refugee who called the Neami intake line and was very distressed.

Charlie had been sleeping in their car for three years, with unstable housing for 12 years.

Neami did an intake assessment with Charlie and identified physical health issues, Post Traumatic Stress Disorder and language barriers.

Neami assisted Charlie to collect evidence for a Housing First application.

Within eight weeks, Neami was able to house Charlie in a transitional property.

Neami also linked Charlie with mental health support services.

Neami is now working with Charlie to reconnect Charlie with family.

FIGURE D7: Family sleeping rough, success with Office of Housing application

'Jessie' had been living in a tent for seven months with Jessie's teenage child, who has autism. They were camping in bushland with no access to amenities.

Neami housed the family in a transitional property and worked with Jessie to apply for public housing.

Jessie was offered a public housing property six months later.

FIGURE D8: Intensive support for alcohol and other drug issues

'Kim' is in their mid-30s and has an alcohol problem.

Kim was sleeping rough when identified by the Neami assertive outreach team.

Neami housed Kim in a transitional property and Kim moved through to the supportive housing team.

Kim engaged well with Neami and started working with their alcohol and other drug worker.

Over a six-month period Neami has supported Kim to detox and enter rehabilitation. At times Kim contemplated leaving rehab early and would

contact Neami staff for support. When we were last updated, Kim had been sober for eight weeks.

On release from rehab, Neami supported Kim to update their resume and Kim got a job.

Neami staff described Kim as 'overwhelmed with happiness.' Neami staff said they are hopeful Kim will be able to secure private rental accommodation and reconnect with family now that Kim is addressing substance use issues.

Auditor-General's reports tabled during 2020–21

Report title

Rehabilitating Mines (2020–21: 1)	August 2020
Management of the Student Resource Package (2020–21: 2)	August 2020
Victoria's Homelessness Response (2020–21: 3)	September 2020

All reports are available for download in PDF and HTML format on our website
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