

Client Brokerage Fund Model

Administrative and Operational Guidelines

Supported Accommodation Assistance Program

Department of Health and Human Services Tasmania

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The guidelines were amended in October 2002, and again in August 2003, following feedback gained during the evaluation process and discussion with DHHS.

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The guidelines were further amended in June 2004 in response to the expansion of the Private Rental Support Scheme.

Department of Health and Human Services

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1. Introduction

1.1. Guidelines

These guidelines have been developed for the administration and operation of the Client Brokerage Fund Model. They were released in interim form and modified as the model was refined in response to an action-research evaluation during the first twelve months of operation.

The guidelines were further modified in June 2004 in response to Housing Tasmania's expansion of the Private Rental Support Scheme.

1.2. What is brokerage

In this context, brokerage is the use of designated funds to purchase services or goods to address individual client needs. A worker or agency 'brokers' on behalf of the client.

1.3. Background

Flexible funding has been introduced in the 2001-2002 budget, to be used in a brokerage model within the Supported Accommodation Assistance Program (SAAP) service system in Tasmania. The brokerage model is developed within the framework of SAAP IV¹.

1.4. Context of these Guidelines

These guidelines apply to all agencies funded by the Department of Health and Human Services (DHHS) to deliver SAAP services.

When purchasing services for clients the contracted organisation remains accountable to the DHHS for meeting the requirements of the Funding and Service Agreement. This includes responsibility for any specified statutory or departmental requirements. The organisation also remains responsible for the client outcomes.

These guidelines must be read and applied in conjunction with all other relevant departmental policies, procedural manuals

¹ SAAP IV provides a national policy framework for SAAP Programs from July 2000 until June 2005

and guidelines. The application of flexible funding occurs within the context of case management practices.

1.5. Purpose of flexible funding

In the context of an Integrated Continuum of Support² in the SAAP program, the brokerage model of flexible funding is to assist in the development of individually tailored and innovative responses.

Funds are for the purchase of services and resources considered essential to achieve agreed client outcomes. These may include:

- emergency accommodation through the private market;
- specialist support not available through related service systems; and/or
- one-off material aid or resources.

1.6. Required outcomes

Outcomes required from use of brokerage funds are the same as those required from other components of SAAP services, that is the achievement of goals contributing towards the client's capacity to live independently.

1.7. Eligibility and priority

The brokerage funding is available for people who are homeless or at risk of homelessness, including those people who have high needs.

High needs are defined as "multiple intensive needs which compromise ability to meet basic needs and which often manifests as one or more of the following behaviour clusters:

- (i) radical lack of living skills
- (ii) disruptive behaviour
- (iii) radical lack of social networks
- (iv) violence to self
- (v) excessively demanding"³

² The Integrated Continuum of Support is based on an understanding that homelessness is not caused merely by a lack of shelter, but involves a variety of underlying unmet needs including physical, economic and social. The Integrated Continuum of Support model allows for the development of comprehensive responses to the diverse needs of homeless families and individuals

Department of Health and Human Services (2000), *Integrated Continuum of Support Model for homeless people and those at risk of homelessness*

³ Ecumenical Housing Inc. & Thomson Goodall Associates Pty. Ltd. (1999) *Appropriate Responses for Homeless People*

1.8. Underlying Principles

- Services are tailored to achieve the best possible outcome for clients;
- There are improved collaboration and service delivery arrangements between agencies;
- There is an increased emphasis on early intervention;
- The safety net of emergency accommodation and other crisis support services continue to be available for the homeless;
- Services should be integrated into local communities;
- Use of brokerage funding links with case planning and goals, with an emphasis on moving towards independence;
- Service planning and delivery has a client-centred approach. This means the client is supported to recognise his or her own strengths and issues and to identify possible solutions;
- Use of brokerage funds provides value for money. In this context, this is taken to mean that a sustainable outcome is predicted and that the anticipated outcome from expenditure is considered in relation to other available options;
- Cross-agency linkages are enhanced; and
- Administration of brokerage money is to be covered within the supporting administrative structure of the agencies holding the funds.

2. Administration

2.1. Fund holders

SAAP agencies holding funds for use within the service system are operational types:

Whose Needs Require a High Level and Complexity of Service Provision, p. 54.

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- Case Planning and Support; and
- Transitional Support.

Funds will be provided on a quarterly basis to the agencies as part of funding arrangements with DHHS.

2.2. Access to funds

All SAAP services will have access to funds on behalf of clients using their services. Inter-agency agreements will be developed to ensure access to funds occurs smoothly and according to the principles described in these guidelines.

Agreements between agencies will include a guarantee of a small amount of funding to be available to agencies providing Immediate Emergency Accommodation. This would allow them to respond to crisis needs without having to contact the fund-holder before action is taken.

In some circumstances it may be appropriate for Housing Tasmania officers to access brokerage funds in crisis situations. Housing Tasmania will be included in inter-agency agreements.

2.3. Administration costs

Fund-holding agencies are expected to cover the cost of administering the brokerage funding within the general administrative costs covered by their Funding and Service Agreement with DHHS.

2.4. Breakdown of funds between purchase types

Allocation of a percentage of brokerage funds for different purposes has been set to ensure that funds are not directed largely to one type. The breakdown is:

Crisis accommodation	60%
Services and one-off purchases	40%

Monitoring of demand and expenditure patterns since implementation of the funding model has indicated this is an appropriate ratio. Ongoing monitoring will assess the need for future adjustment to the ratio.

2.5. Accountability

Agencies have a responsibility to service users to ensure that services purchased are the most appropriate and of the highest quality available within the resources. To do this a number of strategies are appropriate. For example, professional services should be purchased from a member of an appropriate professional body. One-off purchases should be of a good quality and preferably have a guarantee. Accommodation facilities should meet relevant standards.

Agencies in receipt of public monies are accountable to the government, in this case through DHHS.

Accountability for brokerage funds will occur within the framework already in place to report to DHHS on the use of resources. In addition, DHHS and agencies will track patterns of usage on an ongoing basis.

Agencies are required to submit data on brokerage expenditure to the SAAP Unit on a quarterly basis, using the electronic database developed for this purpose by the Department.

2.6 Unexpended funds

Unexpended funds may not be carried forward to successive financial years. Any uncommitted funds remaining at 30 June each year must be returned to the Department by 30 September of the same calendar year.

3. Operation

3.1. Links to case plan

Expenditure of brokerage money is linked to the goals identified in a client's case plan. Identification of needs is based on assessment. Outcomes of the use of brokerage will be specified in the case plan.

In some cases a client may move on after one night's accommodation. This may be unavoidable but efforts should be made to engage the client in developing a plan to work towards more stable accommodation.

Use of brokerage funds will lead to outcomes consistent with the objectives of the SAAP Program. For example, funding might purchase a second-hand refrigerator and washing machine for a person moving into accommodation. The intended outcome is not just for the person to preserve food and have clean clothes. The long-term outcome is for the person to be able to live independently from SAAP support services.

3.2. The role of the client

The person using the service is central to the planning process and active in the decision-making relating to the use of brokerage funds.

As a response to crisis, a decision may be made to purchase accommodation from the private sector. There will be an agreement with the client that further assessment will occur as a basis for setting goals and working towards independence from SAAP services.

3.3. Use of funds

Brokerage funding is used where an appropriate service response is not available through the assessing agency or through referral to another service.

A decision to use brokerage funds may occur at any point in assessment and case management. The key purpose for the use of these funds is to provide flexible, client-focused responses tailored to client needs, in order to facilitate more sustainable outcomes for clients.

It is envisaged that use of funds will fall into three categories:

▪ Immediate accommodation

Clients in need of immediate accommodation may potentially present to any of the SAAP services. However the most likely are those operational types of Immediate Emergency Accommodation and Case Management and Transitional Support

Purchasing accommodation from private providers may be an appropriate option for a number of reasons, including:

- no accommodation is available in a SAAP funded facility;
- the current client mix in the facility makes it unsuitable for the client;
- to maintain a client in his or her community;
- a place might be freed up in supported accommodation for a client with more complex or higher levels of need.

[See *Inter-agency Agreements* page 10]

In order to manage the demand for emergency accommodation, the following criteria have been developed by agencies and are included as additions to the original guidelines:

- In times of high demand, accommodation is provided to those with the highest need. Need will be based on vulnerability;
- Persons in receipt of income in the last three days are excluded from emergency accommodation;

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- Persons who have arrived in the State, or who have moved from one region to another, during the previous week are excluded from emergency accommodation assistance;

These criteria should be implemented within the context of case planning practices.

- **Specialist support**

Funds may be used to purchase services that are critical to the implementation of a person's case plan. For example:

- purchasing counselling sessions to address an urgent situation that is preventing a person from addressing other goals in a case plan;
- paying for occasional child care;
- purchasing secondary consultation to support SAAP workers to address specific needs of individual client(s).

- **One-off material aid**

Funds may be used to purchase goods to help establish a person or family in more permanent accommodation. For example:

- the purchase of good quality second-hand white goods may allow a person to establish independent living;
- paying for a security door on the house for a woman who has escaped domestic violence;
- paying for transport to allow someone to access detoxification services.

In some instances it may be appropriate to use funding to meet rental costs in public housing.

The value of having flexibility in the use of the funds is that there is greater capacity to address individual needs. Meeting immediate needs may give the person the capacity to work towards more long-term goals.

3.4. Boundaries around expenditure

- Use of brokerage funds is an integral part of the service responses available to people eligible for SAAP services. That is, it is unlikely that use of brokerage funds will be the only response to a person's identified needs.
- Brokerage funds are targeted to supporting people with high support needs. In the case of emergency accommodation, purchasing this for a person with less complex needs might free up a supported accommodation place for a person with high needs. For other than emergency accommodation, brokerage funding should be targeted directly to people with high needs.
- Use of brokerage funds must be within the context of a case plan for the person. It must be clear how the expenditure will assist in reaching one or more goals in that case plan. This will lead to identification of outcomes for the person.
- Prior to using Brokerage Funds to purchase a good or a service, workers should explore alternative sources that may be less expensive or free. This will involve good networking by agencies and workers in order to have a good knowledge of available services and referral mechanisms.
- Value for money should be considered when planning the use of brokerage funding. This implies an expectation of sustainable outcome(s). The level of funds spent to achieve an outcome should be considered in the light of other possible options.
- Purchasing agreements should be established with individual providers.

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- Benchmark guidelines for expenditure may be considered at the three-monthly evaluation meetings. These benchmarks will be informed by data collected on the use of the brokerage funds.
- Funding may not be used to duplicate an existing resource. For example:
 - one-off purchases should not be funded where Emergency Relief Funds might be available;
 - services should not be purchased if similar services are available through publicly funded programs (for instance counselling through a family support program, medical services).
- The **Private Rental Support Scheme** (PRSS) is funded by Housing Tasmania and provides financial assistance to households to meet bond or rental costs in the private rental market. PRSS funds are also used to pay removals expenses when eligible clients are moving into stable accommodation.
- To avoid duplication of the PRSS, Brokerage funding may not be used to pay for Bond or rent in the private rental market, or removals expenses where the client is moving into stable accommodation. Where funds for removals are necessary in other circumstances it is appropriate to utilise Brokerage Funds.
- In extreme cases where access to PRSS funds is not possible Brokerage Funds may be used to pay for Bond or rent in the private rental market, or removals expenses where the client is moving into stable accommodation. Services must report any such incidents to DHHS via an email to the SAAP Program Officer at Community Partners.
- Furthermore, where assistance is required at shorter notice than PRSS is able to meet, SAAP providers have

the capacity to use Brokerage Funds. In these circumstances SAAP services should seek reimbursement from PRSS providers for eligible clients.

3.5. Underlying skills and knowledge

In order to make effective use of brokerage funding, a worker needs particular skills. Some of these are needed to more broadly fulfil the role of a SAAP worker.

- **Assessment and case planning**

The worker must have the ability to work in partnership with the client to undertake an accurate assessment of strengths and areas of need. This leads into the development of a case plan to identify goals and strategies for working toward achieving those goals. This skill is important more generally, as well as being needed to plan appropriate, effective use of brokerage funding.

- **Networking**

Networking is important to develop an understanding of the service system and to be aware of what services can be accessed in community-based publicly-funded programs. It is necessary to explore the services available in this realm before looking for services that may be purchased. It is also necessary to know what services are available which might be purchased. Whilst an individual worker might not have comprehensive knowledge about the broader service system, the information needs to be available within the purchasing agency. The worker needs to be able to access the information and use it appropriately.

- **Understanding the market**

It is important for the purchasing agency to have a good understanding of what is a reasonable cost for a given service, activity or goods. This means having an understanding of 'the market'.

4. Agreements

4.1. Inter-agency agreements

Agreements, or protocols, are needed between agencies in the SAAP service system to ensure that clients of all services have access to brokerage funding.

Each agency providing Immediate Emergency Accommodation (IEA) will need to enter into an agreement with agencies that operate Transitional Support or Case Management and Transitional Support services, to identify ways in which case plans are developed and implemented and, where necessary, brokerage funds are accessed.

When a client presents to an agency providing IEA, links need to be made at an early stage with the agency that will be responsible for ongoing support of the client towards independence.

When funds are accessed by an IEA service to place a person in alternative emergency accommodation, that service will then negotiate with Case Planning and Transitional Support services to plan ongoing support for the client. The agency responsible for ongoing case management should engage the client within one working day. A joint approach to case planning may be implemented.

Protocols relating to brokerage funding could be part of a broader agreement between the agencies that includes arrangements for referral for transitional support and the collaborative approaches to case planning. The section covering brokerage should include:

- Identification of providers with whom the purchasing agency has agreements;
- Guarantee of a minimum level of expenditure which may be undertaken by the IEA service without making prior contact with the

purchasing agency. For example, the IEA might arrange emergency accommodation for a client who makes contact during the night. Contact is made the following day with Case Planning and Transitional services in order to confirm use of funds and make arrangements for follow-up assessment and case planning.

It may be appropriate for Housing Tasmania to access brokerage funds in some situations where a client presents to a Housing Tasmania office and is in need of immediate crisis accommodation. Protocols between Housing Tasmania offices and relevant fund-holders would include strategies for referring on where possible and responding directly where appropriate.

It is also a requirement for services that distribute Brokerage funding to develop protocols with services that distribute Private Rental Support Scheme (PRSS) funds to ensure streamlined access for clients in need of assistance.

4.2. Purchasing arrangements

Agencies will need to develop arrangements with agencies from whom they intend to purchase services or goods. Agreements might cover such purchases as:

- emergency accommodation – for example, contracts with hotels, backpacker establishments, caravan parks, boarding houses and community based placements;
- counselling services – contract with provider would specify the type of service, response times, costs and what is included within the price. Arrangements for individual clients should specify the number of sessions;
- second-hand white goods in good condition;
- taxi services for transport to accommodation at times when public transport is not operating.

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These are examples only. The notion of flexible funding means that the use of funds is tailored to the individual.

Ongoing monitoring will occur through the analysis of regular data reports by agencies to the Department.

Agreements between SAAP agencies and organisations from which they purchase should include:

- an introduction or preamble naming the parties to the agreement and its purpose;
- the time span of the agreement (six months is suggested to be appropriate);
- principles underlying the agreement;
- services or goods to be provided;
- cost;
- complaints/grievance mechanisms;
- conditions for termination of the agreement.

4.3. Role of the fund-holder

The fund-holding agency will:

- develop partnership arrangements with other services in regard to equitable access to brokerage funds;
- develop purchasing arrangements with providers;
- ensure its workers have an understanding of the service system and the agency has a directory of available services;
- submit required reports to DHHS and/or evaluators;
- participate in formal evaluation as required.

5. Evaluation

A formal evaluation of the Brokerage Model and its implementation was conducted during the first year of its operation. This evaluation has been documented in a report, *Evaluation of the Client Brokerage Fund Model*.