

Homelessness Innovation Fund 2024-2025

Reforming Temporary Accommodation Grant Program Guidelines

September 2024



Contents

Context.....	1
Homelessness in NSW	1
The NSW Homelessness Strategy	1
New funding for more stable housing options	1
Homelessness Innovation Fund	1
The Reforming Temporary Accommodation Grant Program	2
Objectives	2
Eligibility criteria	2
Requirements for funding	3
Assessment criteria	4
Considerations for organisations	4
Expected outcomes	4
Funding amounts	4
Grant funds expenditure	5
Grant fund exclusions	5
Application process.....	5
Subcontracting information.....	6
NSW National Redress Scheme sanctions.....	6
Covid-19.....	6
Insurance	6
Banking details	6
Successful applicants – grant funding agreement.....	6
Successful applicants’ obligations and reporting.....	7
Timeframes.....	7
Feedback	8

Context

Homelessness in NSW

More than 68,000 people were assisted by specialist homelessness services (SHS) in 2022/23, which is almost double the official number of people experiencing homelessness from the most recent Census in 2021.

The Temporary Accommodation (TA) policy was changed in 2023/24 to address access and eligibility concerns so more people who could access accommodation to prevent or reduce the time spent in homelessness. In 2023/24, 29,799 households stayed in TA (a 14% increase from 2022/23). On average, each household stayed 27 nights (121% longer than in 2022/23). Around 10,000 of those households had been in TA at some point in the previous year as well.

This increasing demand is placing the NSW service system under significant strain. Homelessness services are continuing to operate above capacity. Staff are burning out and many people seeking support are unassisted. This unmet demand has grown sharply since COVID-19 began and has continued into 2023 at 88% higher than pre-COVID levels.

The NSW Homelessness Strategy

The NSW Homelessness Strategy will be released later in 2024. The Strategy will set out our vision to make NSW a place where homelessness is rare, brief and not repeated because people have a safe home and the support to keep it.

The development and design of responses to homelessness will build on what we know works, and be guided by the following principles:

- Housing is a human right
- Informed by Aboriginal people and families, and people with lived experience of homelessness
- A focus on prevention
- A person-centred, strengths-based, culturally appropriate and trauma-informed system
- A joined-up service system
- Flexible, localised service design and delivery
- A Housing First philosophy – this means providing or maintaining access to safe, appropriate and stable housing for people experiencing or at risk of homelessness, without preconditions and with wrap around support to address their needs and maintain their accommodation.

New funding for more stable housing options

The NSW Government's 2024/25 Budget is providing \$527.6 million in extra funding over four years for frontline homelessness services as part of a record \$6.6 billion investment to reduce homelessness and increase and improve social housing, building 8,400 new social homes and repairing 33,500 mainstream and Aboriginal social homes.

This funding is an important first step in moving from a crisis-driven system to more preventative approaches, localised planning and expanding evidence-based practices.

Of this funding, \$100 million has been allocated to establish a Homelessness Innovation Fund.

Homelessness Innovation Fund

The Homelessness Innovation Fund (HIF) will initially target reducing the current demand and costs of temporary accommodation, and proposals for service reform and innovation.

From the 2024/25 NSW budget decision, Homes NSW received \$527.6 million in extra funding over four years for frontline homelessness services. Of this \$100 million has been allocated to establish the HIF.

\$30 million has been provisionally allocated for 2024/25 for the HIF.

Under the HIF, organisations can apply for a one-off grant. The HIF is intended to have a wide entry gate, so some proposals may be funded by the HIF, or, through any other appropriately suited path available to Homes NSW (eg direct dealing).

Funding priorities for the HIF for 2025/26 and beyond will be announced later in 2024/25.

There are two Grant Programs for the HIF in 2024/25:

- Reforming Temporary Accommodation.
- Service Reform and Innovation.

The Reforming Temporary Accommodation Grant Program

Objectives

The objectives of the Reforming Temporary Accommodation Grant Program are to:

- Reduce the cost, use and length of stay of clients in temporary accommodation.
- Move away from commercial hotels and motels to temporary accommodation models being delivered by the homelessness and housing sectors.
- Increase access to appropriate supports, particularly for people with complex needs, who are staying in temporary accommodation.
- Encourage flexible and sustainable use of properties and support services over time when demand for temporary accommodation decreases.
- Attract co-contributions from the sector.
 - Co-contributions could be in any form including case management support, land, properties, cash/equity, debt, tax concessions, philanthropic donations, reduced or avoided costs, or in-kind contributions.
 - While the value and quantum of co-contributions will be one of the factors assessed, it will not be the only criteria. This is to ensure small and large organisations can participate equitably.

Eligibility criteria

All applicants are required to meet the following eligibility criteria.

The grant program is open to all accredited Specialist Homelessness Services (SHS) and registered Community Housing Providers (CHPs) and Aboriginal Community Housing Providers (ACHPs) both through National or Local Scheme.

Consideration will be given to organisations who agree to achieve SHS accreditation and housing providers who are in the process of registration.

Partnerships are welcome.

Applications led by, or in partnership with Aboriginal-led providers will be highly regarded.

Providers can include a nightly room rate to charge when a temporary accommodation client is placed in the service and included in your project plan and budget. Any proposed per night charge should be significantly less than comparable commercial motel/hotel rates.

The following are mandatory eligibility criteria. Further information is provided in sections below:

- all applicants **must** maintain adequate and current insurance cover including, but not limited to; Workers Compensation Insurance, Professional Indemnity Insurance, Personal Accident Insurance, and a minimum of \$10 million Public Liability Insurance.
- all applicants **must** address the NSW National Redress Scheme sanctions
- all applicants **must** adhere to NSW Government public health orders and advice in regard to COVID-19. Up-to-date information is available on the [NSW Government COVID-19 website](#)
- applications **will not** be accepted from organisations with outstanding acquittals with DCJ.
- Only open to organisations based in NSW for projects to be carried out in NSW.

Note: Applications are **not** being sought for supported temporary accommodation services in Social Housing Management Transfer (SHMT) areas.

- Organisations that are seeking to establish supported temporary accommodations in these areas are encouraged to work directly with the CHP in the area.
- For more information about the SHMT LGAs and managing CHPs, please visit the [NSW Government Management Transfer website](#).
- For CHPs who operate SHMT areas, applications for new cost-effective temporary accommodation responses in your areas are welcome.

Requirements for funding

Applications will need to outline:

- The value of the grant being applied for and/or the nightly rate that will be charged.
- Which property or properties they intend to use.
- How many rooms/units will be available for temporary accommodation.
- The groups of people that will be accepted and how risks will be managed if accommodating mixed groups.
- When the service will be operational.
- The intake hours.
- How long the property/service will be operational.

Providers will need to demonstrate their capacity to support clients and work actively to exit them from temporary accommodation into more appropriate and more stable accommodation as quickly as possible.

Properties must be accessible and appropriate for the cohort. This means:

- Properties should have appropriate amenity.
 - A high standard of amenity would be a newer build with self-contained cooking and laundry facilities.
- Shared bathrooms are less desirable.
- Properties should be accessible by public transport.

Funding proposals cannot be used to supplement existing beds in crisis or temporary accommodation.

Homes NSW is aiming to reform temporary accommodation as quickly as possible, so models that can be operational within the next six months will be preferred.

Proposals need to demonstrate viability of the service if demand for temporary accommodation reduces over time.

Assessment criteria

The process of completing an application has been designed under the 7 principles of the NSW Grants Administration Guide (GAG) to support the widest range of proposals and participation.

Applications will be considered against the following assessment criteria:

- Value for money, noting that Homes NSW is seeking to have a statewide impact.
- How the model will reduce demand for temporary accommodation through the level and quality of the supports offered, service integration/co-ordination, and the pathways out of temporary accommodation.
- How the model will reduce the nightly cost of temporary accommodation noting that the cost charged should be significantly less than market rates charged by commercial operators in the area.
- The type and value of co-contributions and how the model responds to particular cohorts, or regional factors.
- The amenity of the property or properties.
- How long properties are available for if lease or access is 'meanwhile' or term-limited.
- The level and quality of the support services that will be provided.
- The viability of the model based on current demand for temporary accommodation, as well as sustainability of the model over time when demand decreases.

Considerations for organisations

Organisations will only be paid the nightly rate when temporary accommodation clients are placed in the service. Homes NSW will always aim to refer clients to funded homelessness services before motels.

Organisations are strongly encouraged to consider whether properties meet relevant council approvals to be used for temporary accommodation. Where a change of use is required, the onus is on the provider to achieve that and still meet the timeframes and the financial viability outlined in the application.

Providers are strongly encouraged to consider alternate uses of the property and service over time as demand for temporary accommodation decreases, such as medium-term accommodation models. These future models would need to be viable based on charging rent to clients and where possible, collecting Commonwealth Rent Assistance, noting that funding under the HIF is not ongoing.

Homes NSW can share Temporary Accommodation service usage data in-confidence for a specific location where applicants are exploring the viability of a temporary accommodation model.

To request data for a specific location, please email shsprogram@homes.nsw.gov.au.

Expected outcomes

Organisations will need to capture the expected outcomes and benefits of their project. This is to be included when submitting an application in SmartyGrants.

Funding amounts

The maximum amount that will be considered is up to \$500,000 per application unless there are exceptional circumstances. The available funding is limited and the intention is to achieve a statewide impact, rather than be absorbed through a limited number of larger funding amounts.

Some proposals may be funded by other mechanisms and processes available to Homes NSW where it makes sense to do that - the HIF is the vehicle to bring ideas forward.

Funding will need to be spent within 12 months of an executed Grant Funding Agreement.

Homes NSW may vary the distribution of funds depending on the number of funding applications submitted.

Homes NSW may also offer successful applicants a package lower than the amount requested.

Grant funds expenditure

Funds can only be used for expenses/activities directly associated to the grant. Your application must clearly outline your proposed expenditure in relation to the funding amounts identified above and included in the budget you submit with your application.

Grant fund exclusions

Organisations must use the grant funds, including any interest earned, for the purposes of the grant.

Items or activities that sit outside the eligibility criteria will not be funded.

Items or activities that funding cannot be used for include, for example:

- Any activity of a commercial nature that is for profit.
 - Existing debt or budget deficits.
 - Permanent salaries/wages (costs for temporary wages for your program or activity can be included).
 - Business as usual costs or general operating expenses.
 - Programs or activities that encourage gambling such as bingo, or the consumption of alcohol.
 - Programs and activities coordinated by NSW Government Departments and Statutory Authorities.
 - The same project twice. For example, two different organisations cannot apply for funds for the same program or activity. This includes refuge or other accommodation, or services already funded within SHS contracts.
-

Application process

There will be a one-stage application process. All applications must be submitted online via SmartyGrants portal. Eligible organisations may submit more than one application.

Value in-kind materials and contributions by paid staff and volunteers of the organisation are allowed as part of a not-for-profit organisation's contributions towards their project costs.

Applications submitted by the applicant will be assessed based on eligibility and assessment criteria.

Applications will be reviewed by the eligibility team for eligibility and compliance with the guidelines and criteria. They will then be subject to the assessment process which will include assessment by the Assessment Team and Assessment Panel.

The Minister or delegated Homes NSW or DCJ officer will be the decision-maker.

Applicants will be formally notified on whether their application has been successful.

Note for all applicants:

- Applicants must ensure their contact details are up to date.
- Applicants must not have any outstanding acquittals for any other funding program with Homes NSW or DCJ.
- All applications for grant funding are managed using the SmartyGrants portal.

Subcontracting information

DCJ will only provide a grant to a single organisation. Organisations can work together through one lead organisation using subcontracting arrangements between them.

For more information about subcontracting please refer to the Reforming Temporary Accommodation Grant FAQ and the [DCJ subcontracting policy and information](#).

NSW National Redress Scheme sanctions

The NSW Government will not award a Grant Funding Arrangement to a non-government organisation with Redress Obligation (or to any of its Related Entities) if that non-government organisation:

- has declined to join the Scheme, or
- at the expiry of six months after the time it is notified to join the Scheme, has failed to do so.

Visit the [website](#) for further information about the [NSW National Redress Scheme](#) sanctions.

Covid-19

Projects must adhere to NSW Government public health orders and advice in regard to COVID-19. Up-to-date information is available on the [NSW Government COVID-19 website](#).

Insurance

Grant recipients must maintain current and adequate and current insurance cover including, but not limited to; Workers Compensation Insurance, Professional Indemnity Insurance, Personal Accident Insurance. Current insurance that is appropriate to the activities/services funded under this grant to cover any liability of the grant recipient that might arise in connection with the performance of its obligations under a Grant Funding Agreement. This must include but is not limited to a minimum of \$10 million Public Liability Insurance.

Applicants will be asked to provide a copy of all relevant insurance policies and certificates in the application form.

You must provide evidence of the above insurance for an amount recommended by a professional insurance adviser, or any such other insurance policies as may reasonably be required by DCJ, and as required by law, for you and any of your employees or sub-contractors, in relation to the performance of the services.

If your organisation is not covered by the appropriate insurance, you will need to approach another organisation (such as your local council or an incorporated not-for-profit) to sponsor your application so that your project will be covered under their insurance.

Banking details

It is your responsibility as the applicant to provide correct banking details, including the authorised signature to verify your bank details in the application form. Funds transferred to an incorrect bank account may not be recoverable.

Successful applicants – grant funding agreement

The application, Grant Funding Agreement and acquittal for the grant will be managed using the SmartyGrants management system and DocuSign or Adobe Acrobat Sign.

Successful applicants are required to return the signed Grant Funding Agreement within two weeks of receipt.

Agreements can only be signed by authorised officers of your organisation. This may be a member of the executive/committee as deemed under the Articles of Association or Constitution for a not-for-profit organisation, or the General Manager or delegated officer if you are a council.

Please note, all applicants must provide the contact details (email address, phone number, name and position) of the relevant authorised signatories, or their delegates, in their application form.

It is the applicants' responsibility to ensure staff availability to complete and sign documents, to carefully read the terms and conditions of the Grant Funding Agreement, and to sign the Grant Funding Agreement using the correct authorised signatories.

Once we receive your signed Grant Funding Agreement via DocuSign or Adobe Acrobat Sign, Homes NSW (DCJ) will countersign the agreement and return to you by email.

Any **variations** to the Grant Funding Agreement, including scope, location or time frames outlined in the application form and Grant Program Guidelines must be formally requested and approved in writing. Failure to do so may result in the withdrawal of the grant offer.

To discuss a variation, please contact the Grant Design and Support by email on grantdesignandsupport@dcj.nsw.gov.au.

Successful applicants' obligations and reporting

- Any variations to the approved project scope, project location and completion timeframes outlined in the original application form must be formally requested and approved in writing before any related work takes place.
- To discuss a variation, please contact the Grant Design and Support by email grantdesignandsupport@dcj.nsw.gov.au.
- Based on the project scope, there will be reporting required to be submitted within the 12 month timeframe.
- All projects must be completed within 12 months of your executed Grant Funding Agreement. You are required to submit a Final Report and Acquittal in SmartyGrants no later than 30 days after your project end date. Homes NSW (DCJ) will send you the final acquittal form prior the required date that you will need to complete in the SmartyGrants portal.
- Please note that any photographs or videos containing images of participants and/or staff submitted in the Final Completion Report must be accompanied by a signed [DCJ still and moving images consent form](#).
- It is a requirement that all financial records related to grant expenditure and acquittal be retained by the committee of the organisation for seven years. If the committee changes, these documents must be forwarded to the new incoming committee.

Timeframes

HIF – Reforming Temporary Accommodation grant program will remain open from 11 September until 30 April 2025.

Organisations can submit an application at any time.

Assessment processes will be completed as per the following schedule:

- Submitted applications received by 30 October 2024 will be comparatively assessed and announced in November 2024.

- Submitted applications received by 14 February 2025 will be comparatively assessed and announced in March 2025.
 - Submitted applications received by 30 April 2025 will be comparatively assessed and announced in May 2025.
-

Feedback

If your application is not successful, it does not mean your application is without merit.

Unsuccessful applicants may seek feedback by emailing the SHS mailbox at:
shsprogram@homes.nsw.gov.au

Homes NSW

6 Parramatta Square
10 Darcy Street
Parramatta NSW 2150

Locked Bag 5000
Parramatta 2124

Office hours:
Monday to Friday
9.00am – 5.00pm

E: grantdesignandsupport@dcj.nsw.gov.au

