



**Family &  
Community Services**

## 2011/12 Budget

6 September 2011



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**Message from the  
Minister for Family  
and Community  
Services and  
Minister for Women**

This first Liberals & Nationals state Budget addresses Labor's legacy of financial unsustainability in Family and Community Services (FACS) and starts the long reform process to improve services for vulnerable children, young people and families.

The FACS cluster will receive more than \$5.5 billion in the 2011-12 Budget for services and over \$250 million for capital infrastructure. The cluster includes the Aboriginal Housing Office; Ageing, Disability and Home Care; Businesslink; Community Services, Housing Policy and the Office for Women's Policy.

In FACS, Labor left NSW a \$1.9 billion gap over four years. Much of the fiscal challenge bequeathed to the new government is related to the Community Services division.

So in this first Budget we have had to repair a fiscal mess, while meeting our election commitments.

There are tough decisions in this Budget to return FACS to financial sustainability and they have been made reluctantly. These include:

- returning to Labor's pre-2006 practice of reducing carer allowances by the amount of the Youth Allowance when young people turn 16 years of age
- reducing allowances paid to new carers who adopt children and young people in out-of-home-care (OOHC)
- incorporating the 2009 \$30 increase in the base rate for single pensioners in the calculation of subsidised public rents.

These savings however are dwarfed by many hundreds of millions of dollars in savings contributed by the Department, without affecting case workers or care.

The Budget includes exciting new initiatives to look at how we can work better and smarter:

- clearing roadblocks to adoption
- trialling minimum targets for caseworker visits
- investigating how we can reward early intervention and prevention through Social Benefits Bonds.

We are forging a real partnership with non government organisations to transfer out-of-home-care to the non government sector and pursue broader reforms. A number of Budget initiatives are measures to improve services, such as residential care, converting Individual Care Agreements into program funded places, and providing better tools to front line case workers to match children's needs to places.

I am developing reform plans for this term of government with my colleague Andrew Constance, the Minister for Ageing and Minister for Disability Services. My reform aspirations for the FACS cluster are to:

- improve services for vulnerable children, young people and families
- improve accountability and transparency about what we do – what we do well, what we need to do better, and how we are working to improve
- reduce the number of children in out-of-home-care and increase restoration and permanency to their support and care
- improve the performance of the FACS cluster and its divisions to integrate services, including for regular clients of the cluster with complex and varied needs.

NSW is so fortunate to have great people, particularly hard working front line and caseworkers, in non government organisations and in FACS.

I am determined to improve the systems we work with to unleash the whole sector's full potential to benefit the citizens of this state.

**The Hon. Pru Goward MP**

Minister for Family and Community Services  
Minister for Women



**Message from the  
Minister for Ageing  
and Minister for  
Disability Services**

I am pleased to announce a record \$2.8 billion investment in ageing and disability services by the Liberals and Nationals in 2011/12. This is an increase of \$342 million on last year's budget, or in percentage terms, 13.9 percent.

I am particularly proud that this year's budget features the start of the largest investment in disability services in NSW history and the most significant investment made by a state government in Australia.

The five years of *Stronger Together 2* will inject an additional \$2.02 billion to increase disability services capacity by an estimated 47,000 places.

The O'Farrell Government is also embarking on the most ambitious reforms in the history of NSW disability services, to place people with a disability and their families and carers at the forefront of decision-making and choices that affect their lives. Consultations are underway across the state to ensure that families are at the heart of new arrangements that will mean everyone receiving disability services will have the option of using individualised and portable funding.

Of course, ageing and disability services are completely reliant on the good work of our community partners in the non government sector. In 2011/12 some 900 organisations will receive grants and subsidies totalling \$1.9 billion to provide services to frail older people, people with a disability and their carers. I will continue to work closely with community partners to implement reforms that bring about the best possible outcomes for vulnerable people in NSW.

In 2011/12 total expenditure in the Home and Community Care (HACC) program is estimated to be \$678 million, including growth of \$42.2 million. The O'Farrell Government is committed to working with the Australian Government and assisting the sector to achieve a smooth transition to new arrangements so that there is minimal impact on service providers and enhanced outcomes for clients.

In 2011/12 the Ageing Program will continue to support critical services and supports to enhance the lives of older people in NSW. A whole of government Ageing Strategy is in development and I will be consulting widely on this in the coming months.

It is never far from my mind that over 250,000 frail older people, people with a disability and their families and carers rely upon Ageing, Disability and Home Care for support in their everyday living. This is an enormous responsibility and one that this government is determined to exercise with integrity and compassion.

**The Hon. Andrew Constance MP**

Minister for Ageing  
Minister for Disability Services

# Overview

The Department of Family and Community Services (FACS) aims to improve the lives of vulnerable people in NSW and reduce the impact of disadvantage.

It provides community, social, disability and housing related services directly to NSW communities and through funding non government organisations to deliver services on behalf of the Department.

FACS is delivering the government's strategic priorities in community services, ageing, disability, housing services, and women's issues, through a combination of new policy commitments and approaches and more effective delivery of existing frameworks and programs.

Consistent with the government's commitments and reform priorities, FACS is responsible for establishing effective linkages with other departments across the social services and justice portfolios in order to deliver an integrated policy and service platform.

The Department is characterised by growth in demand that exceeds growth in the forward estimates. The main drivers of this growth include:

- growth in demand for disability services largely driven by the increase in the disability population and the ageing of informal carers, leading to growing demand of 9-10 percent per annum
- growth in demand for child protection services with the number of children and young people in out-of-home-care increasing at around 15 percent per annum
- population growth and housing affordability challenges, and the ongoing shortfall between the cost of providing public housing and rental revenue, and rising council and water rates
- increasing costs in the provision of housing assistance and homelessness services, driven by increasing demand for private rental assistance and escalating leasing costs in the private rental market.

While many of the underlying factors are outside the control of the Department, a strong reform agenda focusing on strengthening individual service lines and integrated services across the Department will improve service delivery, reduce demand, achieve efficiencies and continue to ensure the best possible outcomes for children and young people. These improvements will be achieved through the government's key commitments of:

- earlier intervention and prevention
- integration of services to meet the needs of customers
- accessing the expertise on non government organisations in service design and delivery
- encouragement of customer choice in public services
- devolving decision making and accountability as close as possible to the people and groups who use public services.

The government's commitments through *Stronger Together 2* will address demand in disability services over the next five years, and work underway on a National Disability Insurance Scheme is aimed at improving ongoing demand pressures past that point.

*Stronger Together 2* creates long-term savings by investing in prevention, early intervention, whole of lifecycle and person centred approaches that reduce the cost to client ratio and supports more people more efficiently.

Early intervention and prevention approaches, the integration of services to better meet client need and increasing customer choice, are key government commitments and are essential in addressing demand pressures across the Department. This budget includes funding to support the transfer of *Brighter Futures* to the non government sector.

Community Services is also investing in early intervention and prevention to reduce demand for out-of-home-care by providing additional family preservation services for families with children imminently likely to enter out-of-home-care and the use of extra family supervision, short term court orders, and earlier restoration of children who have already entered the system.

This budget will also see the commencement of out-of-home-care contract reform as a prerequisite for the staged transfer of out-of-home-care placements to the non government sector. This is being done in partnership with the non government sector through a Ministerial Advisory Council, co-chaired by the Association of Children's Welfare Agencies and the Department.

Out-of-home-care reforms will also see the introduction of a new child assessment tool which will standardise screening and improve transparency and consistency in how the Department places children and young people needing care. FACS will also be changing service models to reduce the use of residential care for children and young people who could be better placed in intensive foster care by building capacity in program funded intensive foster care.

After careful consideration, changes will be made to carer allowances and carers will be encouraged to obtain the Commonwealth Youth Allowance when a young person turns 16. FACS will also improve management of child care costs by requiring carers to apply for child care benefit and child care rebate. Carers will pay the Commonwealth Child Care Rebate directly to child care centres, reducing Community Services' "double-handling". Carers will continue to have all their child care costs covered by the NSW Government.

The NSW Government wants to promote adoption as a permanent outcome for children and young people under long term care orders and FACS is pursuing measures to increase the number of adoptions, decrease the average time to adopt, and decrease the costs of processing the adoption.

These reforms will help to improve outcomes for children and young people and ensure FACS can continue to deliver services that are sustainable, while a longer term reform agenda is pursued. A key element of the longer term reform agenda is building stronger partnerships with the non government sector to deliver services. This budget is the first step in meeting the government's election commitment to transfer early intervention and prevention and out-of-home-care services to the sector, and this shift in services will further increase in the years ahead.

To address budget, demand and supply pressures in housing, Housing NSW is continuing to identify cost and demand management strategies whilst also developing a long term reform strategy. Work continues to transfer ownership of public housing properties to newly created not-for-profit companies and existing community housing providers to achieve diversification of service delivery.

Work is also near completion to allocate Housing portfolio responsibilities between FACS and the Department of Finance and Services (DFS), with the asset functions resting with DFS.

Housing NSW has a waiting list of more than 43,000 people and the rent policy is set so that low income tenants generally pay no more than 25 percent of their income in rent. To help provide more social housing each year, and recognising the financial pressure faced by pensioners, Housing NSW will stage the inclusion of the Commonwealth Government's \$30 single pension increase over two six-month periods, so that each stage of the rent increase is less than that period's cost of living pension increases paid by Centrelink.

There will be two rent increases (of around \$6 each, including cost of living increases) in October 2011 and April 2012, concurrent with normal twice yearly cost of living pension increases by Centrelink. Housing NSW will forgo \$13 million of revenue by implementing the increase in October 2011 and April 2012.

# Budget highlights

In total, the Family and Community Services cluster will receive \$5.5 billion in the 2011/12 Budget for services and over \$250 million for capital infrastructure. This includes funding for the Aboriginal Housing Office, Ageing, Disability and Home Care, Businesslink, Community Services, Housing Policy and the Office for Women's Policy.

In 2011/12 the cluster's expenditure will cover the areas of community development, child protection and action against domestic violence (\$1.6 billion), disability and ageing support (\$2.8 billion) and social housing policy and assistance (\$800 million).

## Community services

Key initiatives include:

- \$169 million for child, youth and family prevention and early intervention services, including \$64.2 million for Brighter Futures, an early intervention initiative delivered by the non government sector to over 3,600 families to help stop children from entering or escalating into the child protection system. This includes an additional \$10 million for the non government sector to deliver the Brighter Futures program, as announced on 1 July
- \$425 million for statutory child protection
- \$283 million to support and strengthen families
- \$700 million for out-of-home-care to support children and young people who cannot live at home safely because of serious neglect and abuse or whose families may be unable to care for them
- \$183 million across government to respond to children at risk as part of Keep Them Safe, including \$120 million for Community Services
- \$2.5 million for the Staying Home Leaving Violence program to establish five new sites to provide safe homes for women and children leaving domestic violence
- \$2.2 million for Community Services' Domestic Violence Line, an increase of \$300,000 on last year, to provide women and children with advice and support about domestic violence
- \$850,000 to continue the Domestic Violence Proactive Support Service (DVPASS) program, an increase of \$100,000 from the 2010/11 budget to help victims of domestic violence with a range of housing, legal, child care, health and financial issues.

## Disability and ageing support

Key initiatives:

- \$1.9 billion in grants and subsidies to more than 900 community organisations to increase their capacity
- \$678 million for Home and Community Care services
- \$137.6 million for disability support as part of the *Stronger Together 2* strategy in 2011/12 including:
  - \$22.6 million on an extra 300 supported accommodation places including 100 Supported Living Fund packages that support people with a disability to live in their own communities.
  - \$15.2 million on Community Participation to support an additional 500 school leavers with a disability
  - \$6 million on Family Support creating an additional 1,620 places to assist children and their families at the time when assistance is most effective
  - \$4 million on decision support services to build the skills and capabilities of people with a disability and improve the social contexts in which they live
  - \$5.2 million on Community Engagement for an additional 260 places for age appropriate day time activities and supports for adults with a disability
  - \$3.4 million on Attendant Care for an additional 55 places in portable, flexible and individualised support for people with a physical disability who need personal help to complete activities on a daily basis
- \$3.4 million on Flexible Respite for an additional 840 places for short term and time-limited breaks for families and care givers of people with a disability
- \$2.6 million to non government organisations for an additional 990 therapy places to build the skills and capabilities of clients
- \$3.1 million on Peaks, Advocacy & Information Services to support individuals and families by representing their interests and assist them to access information so they can make informed choices and participate in their community
- \$82.4 million in capital expenditure to expand accommodation options for people with a disability throughout NSW
- \$6 million for the NSW Ageing Grants Program to support services and projects that meet the needs of older people, such as the Seniors Information Service, Seniors Week events, and Dementia Advisory Services.

## Social housing and support for the homeless

In addition to the \$800 million provided through the Department's budget, rental revenue of \$700 million is generated to fund the following key initiatives:

- \$221.5 million to build 529 new social housing homes and complete 1,072 units started in previous years
- \$203.2 million for routine maintenance and repairs in public and community housing
- \$195 million to upgrade public and community housing, including crisis accommodation such as women's refuges and emergency accommodation for homeless people
- \$119 million for new leases for the private rental market and to continue easements on 9,285 homes already let for public and community housing
- \$45.7 million to help at least 37,000 households with temporary accommodation and Rentstart to help secure accommodation in the private rental market
- \$23.6 million for private rental subsidies to assist people with a disability and HIV/AIDS
- \$17.7 million for the Building Stronger Communities program to improve the quality of the built environment and community in seven locations
- \$49.2 million in property refurbishments, backlog maintenance and operating subsidies for approved Aboriginal community housing providers under the Build and Grow program.
- \$5.5 million to continue Start Safely which is a rental subsidy scheme that helps victims of domestic and family violence to secure a safe home in the private rental market

# Ageing, Disability and Home Care

Ageing, Disability and Home Care (ADHC) is responsible for providing services and support to older people, people with a disability, their families and carers. ADHC is committed to ensuring that our clients are valued, lead independent lives and have the opportunity to participate fully in community life.

The Home Care Service of NSW (Home Care) is a statutory authority administered by ADHC. Administrative support for the Disability Council of NSW and the Ministerial Advisory Committee on Ageing is also provided by ADHC.

ADHC works in partnership with many other organisations to deliver the best possible services to our clients.

Key stakeholders include:

- older people, people with a disability, their families and carers
- 900 non government and local government service providers that we fund to deliver services on our behalf
- local, state and Commonwealth government agencies
- peak bodies and industry groups representing older people, people with a disability and their carers
- community agencies and organisations
- regulatory bodies.

## Budget highlights

The 2011/12 Budget has allocated a total of \$2.8 billion to ADHC, an increase of \$341.6 million over the previous year.

This will fund the continued increase in existing services, such as therapy, respite, supported accommodation, case management, post school programs and the development of new programs to help support people with a disability, their families and carers. This also includes a range of community support services to frail older people, younger people with a disability and their carers.

ADHC has more than 900 community partners who deliver services on its behalf. In 2011/12 they will receive grants and subsidies totalling \$1.9 billion that will increase their capacity to support older people, people with a disability and their carers throughout NSW.

**Total budget 2011/12**

<b>Application of funds (expenditure)</b>	<b>(\$ million)</b>
Direct Service Delivery	900.8
Disability Grants	1,077.3
Home & Community Care Grants	678.0
Ageing Grants	6.0
Grants Other	138.9
<b>Sub total expense</b>	<b>2,801.0</b>
Capital Works	82.4
<b>Total budget</b>	<b>2,883.4</b>

**Sources of funding for 2011/12**

<b>Funding source</b>	<b>(\$ million)</b>
<b>State</b>	
Home & Community Care	212.4
Disability & Ageing Services	1,726.5
Capital Works	82.4
<b>Total state funding</b>	<b>2,021.3</b>
<b>Commonwealth</b>	
Home & Community Care	459.2
Veterans Affairs	6.4
Disability Services – SPP	396.5
<b>Total Commonwealth funding</b>	<b>862.1</b>
<b>Other</b>	
Total other funding	
<b>Total funding for 2011/12</b>	<b>2,883.4</b>

## Key program areas

### ***Stronger Together 2* in 2011/12 and beyond**

This year's budget features the start of *Stronger Together 2*, which includes a record \$2.02 billion in new growth funding, the largest investment in disability services in NSW history and the most significant investment made by a state government in Australia.

*Stronger Together 2* will increase disability services capacity by an estimated 47,000 places over the next five years, and will provide greater certainty to people with a disability, their families and carers.

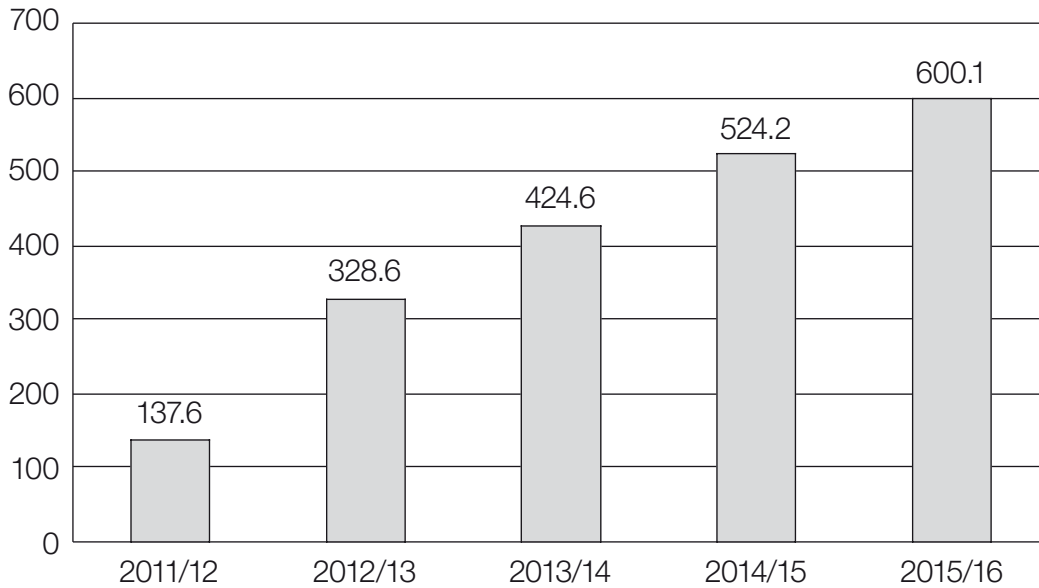
*Stronger Together 2* will ensure that people with a disability are at the forefront of decision making and choices that affect their lives, through the expansion of person centred approaches and individualised funding models.

Comprehensive consultation sessions on how these changes will be implemented to best suit people with a disability and their families and carers are being held across the state. Details are available from the ADHC website [www.adhc.nsw.gov.au](http://www.adhc.nsw.gov.au) or by telephoning 1300 550 913.

*Stronger Together 2* will build on the successes of the last five years and go even further in making a lasting difference to people's lives.

Some of the key initiatives outlined in *Stronger Together 2* include:

- more than \$720 million will be invested to create a further 1,750 accommodation places
- more support to families with a strengthened focus on early intervention and prevention that is able to respond to needs at different life stages
- by the end of 2013/14 anyone receiving disability services will have the option of using an individualised and portable funding arrangement
- the government will support service providers to move to person centred approaches and be more responsive to individual client needs. A strong partnership is essential to building a unified and sustainable sector that can respond to the needs of people with a disability
- the Supported Living Fund will assist people with a disability to live in a home of their own with a combination of formal government funded support and informal care provided by family and friends
- the NSW Government is committed to the redevelopment of large residential centres as contemporary and fit for purpose living environments, with funding provided through *Stronger Together 2*
- the government is adopting a new integrated Local Area Coordination framework, to bring NSW in line with national and international best practice. The role will provide a 'no wrong door' approach to accessing timely and accurate information, making appropriate service referrals, working with local community organisations to promote inclusion, and assisting with planning for the future.

**2011/12 Ageing, Disability and Home Care budget highlights**

*Stronger Together* 2 year by year increase  
in both recurrent and capital expenditure (\$M)

## New disability services

As part of the *Stronger Together 2* strategy an additional \$137.6 million will be invested in disability support in 2011/12 including:

- \$22.6 million on supported accommodation for an extra 300 places including 100 Supported Living Fund packages
- \$15.2 million on Community Participation to support an additional 500 school leavers with a disability
- \$6 million on Family Support creating an additional 1,620 places for children and their families at the time when assistance is most effective. This program will include 180 new packages targeting Aboriginal families with high support needs over five years
- \$4 million on decision support services to build the skills and capabilities of people with a disability and improve the social contexts in which they live
- \$5.2 million on Community Engagement for an additional 260 places for age appropriate day time activities and supports for adults with a disability
- \$3.4 million on Attendant Care for an additional 55 places in portable, flexible and individualised support for people with a physical disability who need personal help to complete activities on a daily basis
- \$3.4 million on Flexible Respite for an additional 840 places for short term and time limited breaks for families and carers of people with a disability
- \$2.6 million to non government organisations for an additional 990 therapy places to build the skills and capabilities of clients
- \$3.1 million on Peaks, Advocacy and Information Services to support individuals and families by representing their interests and views, and assist them to access information so they can make informed choices and participate in their community.

## Increasing employment and community participation for people with a disability

One of the goals of *NSW 2021* is to increase the participation of people with a disability in employment or further education. The government has set a target of 60 percent of Transition to Work participants moving into employment or further education by 1 July 2014, and 65 percent of Transition to Work participants moving into employment or further education by 1 July 2019.

Through participation in further education and employment, people with a disability will have the best chance to contribute fully to their communities and develop their own skills and knowledge.

*NSW 2021* also highlights the NSW Government's aim to increase the proportion of people (aged five and over) with profound and severe disabilities (core activity limitation) involved in out-of-home activities by 85 percent by 2016.

For those with profound disabilities, participation outside the home can present great challenges. The NSW Government is committed to providing opportunities to some of the most vulnerable members of our society to participate in recreational and other opportunities outside their home, and to providing critical respite for their carers.

## Ageing

In 2011/12 \$6 million has been allocated to the NSW Ageing Grants Program to support services and projects that meet the needs of older people, such as the Seniors Information Service, Seniors Week events and Dementia Advisory Services.

Another priority of the NSW Government is to increase the participation of seniors in the community and enhance their quality of life. In September the Minister for Ageing will host an ageing roundtable as the first step in developing a whole of government Ageing Strategy for NSW.

In keeping with commitments outlined in *NSW 2021*, implementation of the strategy will be underway by July 2012 to make NSW a more 'age friendly' society that is able to respond effectively to population ageing.

## Commonwealth/State funding

### Home and Community Care

The total expenditure in the HACC Program in 2011/12 is estimated to be \$678 million subject to final confirmation from the Commonwealth Government. This expenditure, after excluding some carry over funding for previous year commitments, provides an increase of \$42.2 million on the 2010/11 Budget. In accordance with new Commonwealth/State funding arrangements, the NSW contribution will be \$212.4 million.

As agreed by the Council of Australian Governments (COAG), from 1 July 2011 the Commonwealth Government is providing funding for services for people aged 65 and over (over 50 for Indigenous Australians). NSW is providing funds for HACC services to meet the community care needs of people under 65 (50 for Indigenous people).

The 2011/12 HACC program operation will be guided by the National Partnership Agreement (NPA) which falls under the National Health Reform Agreement (NHRA). A key focus is to assist the sector to transition to the new arrangements in a way that ensures minimal impact on service providers and enhanced outcomes for clients.

Aged and Community Services Association, on behalf of the NSW Government, has undertaken extensive consultation with providers and stakeholders to ensure that their voices have been listened to in developing the transition arrangements.

The prompt roll out of the HACC Triennial Plan in NSW has meant that supports for frail older people, people with a disability and their carers have been established quickly and effectively.

Twelve new specialist dementia day care centres have been established and an additional four centres will be completed this year. Significant service funding has also been targeted to assist people with dementia. An additional \$8.5 million has been provided to assist HACC organisations to upgrade their existing capital facilities.

The priorities for the HACC Plan into the future are to continue to improve the delivery and expand services to meet the demands of an ageing population. Work will continue to meet planned reforms and improve service delivery through streamlined access and assessment procedures. This includes working closely with the Commonwealth's Department of Health and Ageing as it introduces its new 'Front End' to Aged Care.

### National Disability Agreement

On 1 January 2009 the National Disability Agreement (NDA) replaced the previous Commonwealth/State agreement and associated bilateral agreements. The NDA commits the Commonwealth and the states to support people with a disability and their carers to achieve an enhanced quality of life and participate as valued members of the community.

The NSW contribution to a range of programs under the NDA is estimated at \$1.67 billion. Commonwealth Government funding of \$396.5 million is also provided, bringing the total funding for disability services in NSW to \$2.06 billion. This is an increase of 10.6 percent over 2010/11.

## Capital expenditure

The capital expenditure for 2011/12 is \$82.4 million. This funding will be used to expand accommodation options for people with a disability throughout NSW, ensuring access to contemporary home environments that support community participation and allow for people with a disability to fulfil their potential.

The bulk of the funding will provide accommodation to support new places, but it also includes \$14.7 million to improve the accommodation for people with a disability who currently live at the Riverside (Orange) large residential centre and \$10 million to improve existing accommodation for people with a disability.

## Home Care Service of NSW

The Home Care Service of NSW has projected expenditure of \$227.5 million in 2011/12. This reflects funding sourced from the HACC Program as well as NSW disability services programs and the Commonwealth's Departments of Health and Ageing and Veterans' Affairs.

Home Care funding is \$5.6 million greater than that in the 2010/11 Budget, an increase of 2.5 percent. This funding will deliver in excess of 4 million hours of service in 2011/12.

As per the COAG Agreement, all services currently funded through the HACC program will continue to be funded to provide their current services, at least until 2015. This includes the Home Care Service of NSW.

The NSW Government remains strongly committed to Home Care's ongoing support of more than 52,000 service users per year.

## National Disability Insurance Scheme

The NSW Government has actively supported the national Every Australian Counts campaign, and the call to have the proposed National Disability Insurance Scheme introduced.

Despite the NSW Government heavily investing in disability services, including an extra \$2.02 billion of funding through *Stronger Together 2*, an NDIS is essential to meet long term demand and ensure a sustainable disability support system.

Funding and reforms to the current disability service system through *Stronger Together 2* will not only benefit people and families in the near future but also enable the NSW service system to be ready to fully embrace the NDIS when it is introduced.

NSW has strongly advocated that the Commonwealth Government's endorsement of the vision for a NDIS falls short of making a commitment to implement and fund the Commission's recommendations. NSW is pushing for the Commonwealth Government to demonstrate their commitment to the scheme by implementing a more ambitious timetable and identifying, and committing to, a funding source.

# Community Services

Community Services works with non government organisations and other government agencies to keep children safe from harm and provide support to vulnerable families. The key responsibilities of Community Services are:

- providing protection for children at risk of significant harm
- providing early intervention services
- providing funding, accommodation and support services for children and young people who can no longer live at home
- offering community support services to help homeless people and families move to independent living.

## Budget highlights

The Community Services proportion of the FACS 2011/12 budget is \$1.6 billion.

The 2011/12 budget will continue to fund frontline services and programs in child protection, out-of-home-care, prevention and early intervention and deliver funding to approximately 1,500 non government organisations throughout NSW.

The budget consists of \$940.7 million of services procured from non government organisations, individuals and families, and operating expenses including caseworker costs of \$636.5 million.

Budget highlights include:

- community development and support – \$283 million to provide services including those delivered by neighbourhood and community centres that build safer and stronger communities.
- child, young people and family prevention and early intervention services – \$169 million including \$64 million for Brighter Futures, an early intervention initiative delivered by non government organisations to more than 3,600 families to help stop children from entering or escalating in the child protection system
- statutory child protection – \$425 million to make sure children who need statutory intervention are safe, either at home or in out-of-home-care
- out-of-home-care – \$700 million to continue improving services for vulnerable families by building better systems and programs to support children and young people who cannot live at home safely and their carers.

**Total budget 2011/12**

<b>Application of funds (expenditure)</b>	<b>(\$ million)</b>
Employee related expenses	432.8
Other operating expenses	162.4
Grants and subsidies	733.2
Other expenses	207.5
Capital expenditure	38.5
<b>Subtotal expenses</b>	<b>1,574.4</b>
Depreciation and other items (non-cash)	41.2
<b>Total budget</b>	<b>1,615.6</b>

**Sources of funding for 2011/12**

<b>Funding source</b>	<b>(\$ million)</b>
<b>State</b>	
State funds including enhancement funding	1,443.1
<b>Total state funding</b>	<b>1,443.1</b>
<b>Commonwealth</b>	
National Affordable Housing – Specialist Homelessness Services	67.3
Indigenous Early Childhood Development	21.4
NP Homelessness	24.2
<b>Total Commonwealth funding</b>	<b>112.9</b>
<b>Other</b>	
<b>Total other funding</b>	<b>18.4</b>
<b>Total funding for 2011/12</b>	<b>1,574.4</b>

## Key program areas

In 2011/12 Community Services will spend:

- \$8 million additional funding to strengthen the out-of-home-care system, partnering with the non government sector to transfer most services to this sector over the next few years
- \$120 million to continue the reforms in response to the Wood Special Commission of Inquiry into Child Protection to develop a child protection reform strategy that addresses family dysfunction, keeps children safe, and reduces the need for statutory intervention and out-of-home-care
- \$6 million to continue to support the various helpline services, in particular the After Hours Crisis Response Team
- \$14.4 million for Aboriginal children and family centres under the National Partnership Agreement on Indigenous Early Childhood Development.

## New services

Community Services will continue to build and strengthen relationships with other government and non government partners to find smarter and more effective ways of delivering child protection services in the future. Future directions include:

- developing a child protection reform strategy to improve support provided to children who remain with their families
- working with the non government sector to reform and improve support provided to children in out-of-home-care and increase significantly the proportion of services delivered by the non government sector.

## Capital expenditure

The 2011/12 capital budget is \$38.5 million including the following major works:

- \$14.4 million for the ongoing development of nine new Aboriginal Child and Family Centres to provide integrated services tailored to the needs of local Aboriginal families, including child care services and parent and family support services
- \$12.7 million for the Assist Program. This program brings together a number of concurrent IT projects that are separately funded: KiDS Core Design Update (KCDU), Structured Decision Making/Business Process Mapping, NGO Portal and Caseworker Workload Management
- \$3.7 million on assessment centres and caseworker office accommodation.

# Office for Women's Policy

## Budget highlights

The Office for Women's Policy (OFWP) is committed to building an equal, inclusive and safe society where all women are valued and respected, can contribute meaningfully, and are able to enjoy equal rights and freedom.

The OFWP provides leadership in promoting outcomes for women in NSW through policy development and working with other agencies, non government organisations and inter-governmental networks. Our role includes:

- advising government on important issues for women
- promoting gender awareness in public sector programs and policy development
- maintaining strong networks across government agencies, non government and key stakeholders on women's policy issues
- collaborating with other government agencies, business and the community to achieve gender equality
- participating in national forums on women's issues.

The total OFWP budget in 2011/12 is \$6.3 million. It consists of employee costs of \$1.9 million and grants and subsidies of \$3.7 million. Included in the \$3.7 million grants budget is \$850,000 for continuation of the Domestic Violence Proactive Support Service (DVPASS) program.

### Total budget 2011/12

Application of funds (expenditure)	(\$ million)
<b>Employee related</b>	<b>1.9</b>
Other Operating	0.7
Grants and Subsidies	3.7
<b>Subtotal expense</b>	<b>6.3</b>
Other	
<b>Total budget</b>	<b>6.3</b>

## Key program areas

### Support for women and children experiencing domestic and family violence

The 2011/12 budget will ensure FACS can implement deterrent approaches which support women to escape domestic violence while remaining safely in their own home including:

- \$2.5 million for the Staying Home Leaving Violence program to establish five new sites (led by Community Services)
- assessing the use of electronic monitoring systems to help ensure compliance by perpetrators of domestic and family violence.

Both the above initiatives will see the government deliver on its election commitments.

The OFWP budget includes \$850,000 to continue the Domestic Violence Proactive Support Service (DVPASS) program, an increase of \$100,000 from the 2010/11 budget. This program helps victims of domestic violence with a range of housing, legal, child care, health and financial issues.

Other initiatives in the FACS budget which support the NSW Government's response to domestic and family violence include:

- \$5.5 million for Housing to continue to fund Start Safely which is a rental subsidy scheme that helps victims of domestic and family violence to secure a safe home in the private rental market. Start Safely is expected to help about 567 households leave domestic violence in 2011/12.
- \$2.2 million for Community Services' Domestic Violence Line, an increase of \$300,000 on last year, to provide women and children with advice and support about domestic violence.

### Improving opportunities for women

As part of the NSW Government's election commitments, a Bureau of Women's Statistics is being established that will retain data on a broad range of issues involving women, including female employment, health, education and domestic violence. These statistics will be made available to the public.

In 2011/12 the first ever annual report on the Status of Women in NSW will be produced using information from the Bureau of Women's Statistics and reporting on the work undertaken by the Office for Women's Policy.

Building an accurate evidence base through these resources will mean that the NSW Government can monitor performance against work to improve opportunities for women, including increasing the number of women on boards and reducing barriers and supporting women into non traditional roles.

# Housing NSW

Housing NSW builds stronger communities by providing housing solutions for people in need. Housing NSW is the largest provider of social housing in Australia and:

- manages the NSW public housing portfolio
- works with government departments and organisations to address homelessness
- funds and supports community housing and crisis accommodation
- manages Aboriginal public housing for the Aboriginal Housing Office
- plays a key role in developing policy to increase access to the supply of affordable homes
- provides a range of products and services to assist people into the private rental market and home ownership.

Housing NSW provides staff and grants to the NSW Land and Housing Corporation, which holds land, buildings and other assets required for the provision of housing services. The Land and Housing Corporation is classified as a Public Trading Enterprise.

## Budget highlights

The Housing NSW 2011/12 budget is \$1.9 billion, this includes the FACS contribution of \$800 million. It consists of \$1.4 billion in recurrent expenditure (excluding \$1 billion for value of properties to be transferred to community housing providers and \$103.8 million for properties to be transferred to the Aboriginal Housing Office) and \$449.0 million in capital expenditure.

In addition \$48.4 million is available from GST refunds on properties vested to Community Housing Providers to fund the completion of 917 properties under the Nation Building Economic Stimulus Plan.

Our key objectives are reducing homelessness and improving housing affordability and availability for households on low and moderate incomes consistent with state obligations and requirements under the National Affordable Housing Agreement and a number of other National Partnership Agreements with the Commonwealth Government.

The property portfolio and accompanying responsibility for asset-related functions are being transferred in 2011/12 from FACS to the Department of Finance and Services. The change enables the NSW Government to consolidate asset and property functions and is being made to maximise the asset opportunities and efficiencies gained through this integration so that staff can continue to provide a high level of client services and outcomes. Implementation of the transfer is expected to take effect in October 2011.

The development and implementation of social and affordable housing reforms will continue to be a major focus in 2011/12, facilitating the development of an integrated social housing system in NSW.

In 2011/12, payments will assist an estimated 450,000 people in housing need. Housing NSW, which operates under the auspices of the *Housing Act 2001*, and the Aboriginal Housing Office, which operates under the auspices of the Aboriginal Housing Act 1998, will use these payments and internal funding sources to provide:

- government-subsidised social housing managed by public, community and Aboriginal housing providers to more than 330,000 people
- approximately 4,500 crisis accommodation places for nearly 38,000 people
- financial assistance for accommodation in the private rental market to more than 82,000 people.

### Total budget 2011/12

Application of funds (expenditure)	(\$ million)
Repairs and maintenance	203.2
Residential and tenancy expenses	22.8
Other property expenses	256.2
Rental and other assistance	207.0
Personnel services (FACS)	220.6
Other operating expenses <sup>1</sup>	96.8
Interest on loans	72.0
Capital expenses	434.0
Other capital (admin assets)	15.0
<b>Subtotal expense</b>	<b>1,527.6</b>
Depreciation and other items (non-cash)	350.2
Stimulus Plan projects funded by GST refunds	48.4
<b>Total budget</b>	<b>1,926.2</b>

<sup>1</sup> Includes Businesslink fees \$35.2 million

## Sources of funding for 2011/12

Source of funds	(\$ million)
<b>State</b>	
State Funds incl. Enhancement Funding	142.6
<b>Total State funds</b>	<b>142.6</b>
<b>Commonwealth</b>	
National Affordable Housing Agreement	302.3
Homelessness National Partnership	13.8
A Place to Call Home Initiative <sup>2</sup>	6.4
<b>Total Commonwealth funds</b>	<b>322.5</b>
<b>Other</b>	
Rental Income & Water Charges	714.4
Net Asset Sales	220.0
Other income	61.7
Agency Internal Funds <sup>3</sup>	66.4
GST refunds from properties vested to Community Housing Providers	48.4
<b>Total other funds</b>	<b>1,110.9</b>
<b>Total funding<sup>4</sup></b>	<b>1,576.0</b>

<sup>2</sup> In 2011/12, this funding will be applied to the Camperdown "Common Ground-style" Project

<sup>3</sup> This includes carry forward funds from prior year.

<sup>4</sup> Depreciation and Other Non-Cash items (\$350.2 million) not included in Sources of Funds.

## Key program areas

### Homeless people have access to housing and are able to sustain a tenancy

A key focus in 2011/12 will be strengthening the capacity of homelessness services to provide a more effective, integrated, prevention and early intervention response to homelessness, and working to reduce the number of people who are homeless, including rough sleepers and Aboriginal people, and reduce the number of people experiencing repeat homelessness.

Housing NSW is the lead agency for delivery of the five-year NSW Homelessness Action Plan which identifies NSW priorities and outlines practical actions to prevent and reduce homelessness in NSW, with a strong focus on Aboriginal homelessness. The Plan incorporates initiatives funded under the National Partnership Agreement on Homelessness.

In 2011/12, funding of \$6.4 million under the National Partnership has been allocated towards 62 new homes in the Camperdown “Common Ground-style” project. This is an integrated social housing project providing long term accommodation for homeless people and people on low incomes, in a purpose built building, with on site support services.

In addition, \$13.8 million is available to implement National Partnership initiatives, reforming the service system and shifting the focus from crisis to prevention and early intervention.

Funding of \$9.5 million has been allocated to make 4,500 places available during 2011/12 in crisis and transitional accommodation to be managed by community housing providers to support people in crisis.

\$25.2 million will provide 27,550 temporary accommodation assistances in 2011/12.

The Start Safely program, a private rental subsidy scheme aimed at helping women with children escaping domestic violence to secure a safe home in the private rental market, will receive \$5.5 million<sup>5</sup> to assist 567 households in 2011/12.

In 2011/12, Housing NSW will assist more than 4,000 people who are homeless or at risk of homelessness to be housed and sustain their tenancies.

<sup>5</sup> \$4 million allocation in 2011/12 and \$1.5 million from Agency Internal Funds.

### Appropriate and sustainable social housing

\$221.5 million will be available for the public and community housing supply program, funding works in progress and new capital works, which will enable the completion of 1,072 and building of 529 social housing homes.

An additional \$48.4 million (funded by GST refund associated with the vesting of properties to Community Housing Providers under the Stimulus Plan) will provide an estimated 917 homes, bringing the total number of properties delivered under the Nation Building Economic Stimulus Plan to 6,329 homes.

Growth and sustainability of the community housing sector continues to be a major policy direction for Housing NSW. *Planning for the Future: new directions for Community Housing 2007–2012* is a strategy for achieving a target of growth from 13,000 to 30,000 properties by 2017.

Housing NSW is continuing to transfer ownership of some social housing to not-for-profit community housing providers to support the community housing growth strategy and enable community housing providers to leverage against their assets. In 2011/12, around 2,944 properties are expected to be transferred to the ownership of community housing providers.

In addition subsidies will be provided for around 9,285 existing leased homes as part of head leasing arrangements and the community housing leasing program.

A total of \$398 million is available for repairs and maintenance and improvements to social housing dwellings. Improvements range from planned repairs to major upgrade works and will encompass public and community (including crisis accommodation) housing. This includes:

- \$203.2 million for responsive and planned repairs and maintenance
- \$179.8 million for upgrading and improving existing public and community housing properties
- \$15 million for upgrading up to 3,500 multi-unit dwellings to meet fire safety standards
- \$2.4 million to improve environmental sustainability in public housing by replacing electric hot water systems with solar systems.

## Integration of social housing in communities

Housing NSW will continue its focus on promoting social and economic outcomes for communities in housing estates.

The Building Stronger Communities program will receive \$17.7 million for capital improvements to improve the quality of life and amenity in social housing communities in seven major locations across NSW – Mt Druitt, Claymore, Macquarie Fields, Killarney Vale/Bateau Bay/Tumbi Umbi, Dubbo, Bathurst/Orange and Wagga Wagga.

Over \$2.4 million is allocated to the Tenant Participation Program to assist tenants in affected locations manage significant social, economic, environmental and/or housing change.

Large scale renewal projects to create sustainable mixed income communities through sale and redevelopment of social housing will continue in:

- the Bonnyrigg Living Communities project, Australia's first social housing Public Private Partnership, in the Bonnyrigg social housing estate. The development component of the project is expected to be completed in 2020/21
- Minto public housing estate, in conjunction with Campbelltown City Council and Landcom (expected to be completed in 2015/16)
- Airds Bradbury, an integrated renewal project in its early stages (to be completed in approximately 15 years).

The Riverwood North Urban Renewal Project will see the redevelopment of 176 existing social housing units to 650 new dwellings – 150 seniors living units and up to 500 private, affordable and community units. Approximately \$25 million has been allocated to this project for 2011/12.

In Millers Point, the next phase of the 99-year lease sales program will see the continuing release of a number of properties throughout 2011/12. Funds generated from the sales program will partly fund the Cowper Street, Glebe project. Around \$7.6 million, including approximately \$6.5 million of funding under the Housing Affordability Fund has been allocated for the Glebe project in 2011/12.

In Telopea, 381 social housing units will be demolished and replaced with approximately 1,900 new housing units better aligned to meet current and future resident needs. In 2011/12 \$30.3 million has been allocated for the construction of the first stage, totalling 152 units.

The Albert Street, North Parramatta Redevelopment Project will deliver 106 new dwellings, to be completed in two stages. Thirty-three social housing units will be produced in stage one and 73 units in stage two, providing a mix of social and affordable housing and private dwellings to a maximum of three storeys. In 2011/12 \$4 million has been allocated to this project.

### Access to affordable housing

The National Rental Affordability Scheme (NRAS) is a partnership between the Commonwealth, state and territory governments that aims to increase the supply of affordable rental housing by encouraging large-scale investment in the sector from institutional investors, not-for-profit organisations and others. During 2011/12, a total of 673 affordable housing units are expected to be completed.

In 2011/12, Housing NSW will continue to implement other affordable housing projects and programs including the St Marys Affordable Housing Program, the Rouse Hill Affordable Housing Project, the Affordable Housing Innovations Fund and capital grants for community housing providers under NRAS A. Over \$11 million in grant funding is anticipated to be provided in 2011/12 to deliver 94 new affordable housing dwellings.

Housing NSW will also continue to implement projects funded under the Housing Affordability Fund (HAF). This program is designed to make housing more affordable by reducing the price of entry level housing for low to moderate income earners. \$15.4 million is expected to be available in 2011/12 for 10 of these projects.

Housing NSW will also continue to implement the Boarding House Financial Assistance Program which provides grants for fire safety funding and for the construction on new self-contained boarding house rooms.

Housing NSW's approach to maximising yield under the Social Housing Growth Fund will deliver additional dwellings in 2011/12. Over 140 units are due for completion in 2011/12 with remaining grant funding of \$6 million to be provided. Community housing providers will contribute a combination of debt and equity to these projects.

Housing NSW provides a range of private rental assistance products and services to help people gain access to or remain in private rental accommodation. In 2011/12 \$20.5 million is available for Rentstart, a program that provides financial assistance in the form of a rental bond and in some cases upfront rent, and \$25.2 million for temporary accommodation, to help about 37,400 households.

Under the Private Rental Subsidy (formerly the Special Assistance Subsidy) program, in 2011/12 \$23.6 million will assist eligible people with a disability and people living with HIV/AIDS to access the private rental market.

## Commonwealth/State funding

The Council of Australian Governments (COAG) reform resulted in a significant package of investment for housing with a total Commonwealth commitment of around \$4.5 billion in the *National Affordable Housing Agreement* and its associated National Partnership Agreements over five years from 2008/09. This includes:

- *National Affordable Housing Agreement* (NAHA) funding for NSW which provides a total of \$1.9 billion to NSW over five years from 2008-09 (\$302.39 million for Housing NSW in 2011/12) to provide affordable, safe and sustainable housing that contributes to social and economic participation.
- Under the National Partnership Agreement on Homelessness the Commonwealth will provide NSW with \$101.4 million over five years from July 2009, designed to prevent and respond effectively to homelessness in NSW. The NSW Government is providing matched funding of up to \$213.13 million. In addition, the Commonwealth provides \$38.8 million over five years to 2013 for A Place to Call Home, with \$38.8 million of matched funding provided by the NSW Government. In 2011/12, \$13.8 million of Commonwealth funding is available to Housing NSW for Homelessness National Partnership initiatives and \$6.4 million for A Place to Call Home.

# Aboriginal Housing Office

The Aboriginal Housing Office (AHO) is a statutory authority established under the Aboriginal Housing Act 1998 to ensure that Aboriginal and Torres Strait Islander people have access to affordable, quality housing. The AHO is governed by an all-Aboriginal Board, which provides advice on housing issues in NSW.

The AHO provides housing assistance for Aboriginal people and an increased range of housing choices by:

- increasing the number of homes available to address Aboriginal housing needs
- improving the condition of the housing stock used to address Aboriginal housing needs
- increasing the capacity of Aboriginal community housing providers
- researching demographic and other trends to gauge future needs
- providing the training tools and means for improving the technical, governance and management skills of those providing housing services
- continuous improvement of our policies, procedures and programs
- ensuring that Aboriginal people are engaged in our work
- focusing on the extremes of poverty and homelessness when allocating funds and addressing assistance priorities for the Aboriginal community.

## Budget highlights

The AHO's total funding in 2011/12 is \$152.8 million with a total budget of \$162.5 million (includes \$9.7 million in non-cash items). It includes:

- \$27.5 million for responsive and planned maintenance to AHO residential properties
- \$16.2 million in rates and rental operation expenses for AHO tenancies
- \$49.2 million in property maintenance and operating subsidies for approved Aboriginal community housing providers under the Build and Grow program
- \$39.1 million in capital works.

**Total budget 2011/12**

<b>Application of Funds (expenditure)</b>	<b>(\$ million)</b>
Repairs and maintenance	27.5
Tenancy operations	16.2
Grants	49.2
Personnel services	10.3
Other operating expenses <sup>6</sup>	10.0
Capital expenses	39.1
Other capital (admin assets)	0.5
<b>Sub total expense</b>	<b>152.8</b>
Depreciation and other items (non-cash)	9.7
<b>Total budget</b>	<b>162.5</b>

**Sources of funding for 2011/12**

<b>Funding source</b>	<b>(\$ million)</b>
<b>State</b>	
State funds incl. Enhancement Funding	5.9
<b>Total state funding</b>	<b>5.9</b>
<b>Commonwealth</b>	
National Affordable Housing Agreement	26.3
Remote Indigenous Housing National Partnership	73.6
<b>Total Commonwealth funding</b>	<b>99.9</b>
<b>Other</b>	
Rental income and water charges	40.8
Other income	0.9
Agency internal funds <sup>7</sup>	5.3
<b>Total other funding</b>	<b>47</b>
<b>Total funding</b>	<b>152.8</b>

<sup>6</sup> Includes Businesslink fees \$1.02 million

<sup>7</sup> This includes carry forward funds from prior year

## Key programs areas

In 2011/12, key initiatives include:

- \$16.7 million to deliver 35 new homes in remote areas under the Remote Indigenous Housing National Partnership
- \$21 million for the repair and maintenance of up to 500 Aboriginal community housing provider homes in urban and regional areas under the Build and Grow program
- refurbishing up to 150 community housing provider homes in remote areas under the Remote Indigenous Housing National Partnership
- \$2.7 million for six new homes for employment and training related accommodation under the Remote Indigenous Housing National Partnership
- \$27.5 million for planned and responsive maintenance on Aboriginal Housing Office owned properties
- \$13 million to deliver 30 new homes under the capital works program
- \$12.6 million to reform and strengthen the Aboriginal community housing sector under the Build and Grow program.

## Commonwealth/State funding

The Remote Indigenous Housing National Partnership is a 10-year funding agreement between the Commonwealth, States and the Northern Territory to provide housing for Aboriginal people and address overcrowding, homelessness and poor housing conditions in remote Aboriginal communities.

It is designed to reduce Aboriginal housing disadvantage by building new houses for Aboriginal people, as well as repairs and maintenance and tenancy management and support in remote areas.

## Build and Grow

The AHO is implementing the Build and Grow Aboriginal Community Housing program over the next eight years. The program will move Aboriginal community housing providers to a position of financial sustainability, independent of government grants. The key source of funding for Build and Grow comes from the Remote Indigenous Housing National Partnership.

Key elements of the program include:

- properties and tenancies managed by Aboriginal providers that are registered to an acceptable standard
- rent reform
- time limited support to develop providers as professional tenancy and property managers.



**Family &  
Community Services**

**Department of Family and  
Community Services**

Level 2, 55 Clarence Street  
Sydney NSW 2000  
Locked Bag 3002  
Australia Square, NSW 1215  
Ph: (02) 9248 0900  
Fax: (02) 9248 0999  
Email: [facsinfo@facs.nsw.gov.au](mailto:facsinfo@facs.nsw.gov.au)  
Web: [www.facs.nsw.gov.au](http://www.facs.nsw.gov.au)