

FREEDOM OF INFORMATION REQUEST – [REDACTED] (HAC18/59)

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Applicant	The parameters of the request	File No.
[REDACTED]	<i>Copies of a Ministerial brief that would have been prepared for the Minister for Housing, in relation to advice the Department gave the Minister around closing Inanna Inc. in August 2016'.</i>	HAC18/59

Folio No's	Description	Date	Status	Reason for non-release or deferral	Open Access release status
1 - 11	Ministerial Brief M-16/1049 and Attachments A & B	08/08/2016	Full access		Full access
12 - 15	Ministerial Brief M-16/1137	24/08/2016	Partial access	Schedule 2, section 2.2(a)(ii) (prejudice the protection of an individual's right to privacy or any other right under the Human Rights Act 2004)	Partial access
16 - 24	Ministerial Brief M-16/1176 (Hardcopy brief incorrectly numbered M-16/1049)	30/08/2016	Full access		Full access



DRAFT: IN CONFIDENCE

Date 8 August 2016

To Minister for Housing, Community Services and Social Inclusion

- Director-General *JP 31-8-16*
- Deputy Director-General *BM 31/8/16*

cc Executive Director, Disability ACT

From Executive Director, Housing and Community Services

Trim no M-16/1049

Subject Inanna Inc - Contingency planning for Specialist Homelessness Service Delivery – 2016-17

Critical Date

HIGH PRIORITY. To provide you with information about the current situation with Inanna Inc, given affected staff have indicated an intention to alert you and the media to their concerns.

Sensitivities

Inanna Inc (Inanna) is currently subject to binding instructions issued by the Human Services Registrar under section 19 of *the Community Housing Providers National Law* (the National Law). Failure to act on these instructions may result in action to cancel the registration of Inanna as a community housing provider. One of the instructions requires Inanna to take action to resolve staffing issues. Inanna staff may approach you or other Ministers and the media to raise their ongoing concerns about the organisation.

Purpose

Inanna is funded by the Community Services Directorate (the Directorate) to provide specialist homelessness services (SHS). This brief provides advice about alternative draft options that are under development for service delivery, should the Directorate take a decision to suspend or terminate Inanna's SHS funding due to non-compliance or lack of appropriate staffing resources.

Background/Issues

As a result of the recent actions taken by the Human Services Registrar, the Directorate decided not to enter into a new three year SHS agreement with Inanna for the period 2016-19. The Directorate notified Inanna that the existing 2013-16 Service Funding Agreement (SFA) would be extended for three months to 30 September 2016, while negotiations with the Human Services Registrar were in train. Inanna accepted the offer and has received funding of \$487,998 for this period.

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The Directorate has managed the SHS contract with Inanna in accordance with the terms and conditions in the 2013-16 SFA. An outline of the actions taken in the past 12 months is at Attachment A. Any further action in relation to the operation of Inanna's specialist homelessness services would be informed by advice from the Human Services Registrar and, potentially, legal advice in relation to the terms of the SFA between the directorate and Inanna.

In the event the Directorate were to take action under section 11 of the SFA to suspend payment or terminate the agreement with Inanna, and the organisation were to cease operation, alternative service delivery arrangements would be needed to ensure service continuity for current Inanna clients. Reallocation of future funding across the specialist homelessness system would also be required. The proposed draft strategy and contingency plan that are under development are at Attachment B. The attachment also includes information about the services currently provided, funding allocations and service user statistics.

Media Issues

Nil at this stage.

Consultation

Ongoing consultation has occurred within the Directorate in relation to this matter.

Financial Implications

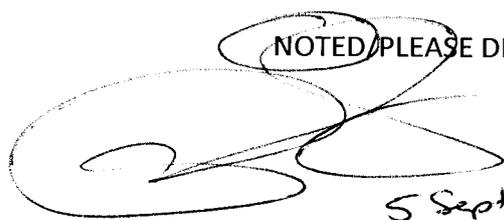
Inanna is funded until 30 September 2016. Future funding is already procured for Inanna's service delivery to 30 June 2019. Any decisions taken in the future would result in a reallocation of this funding and would not place an additional financial requirement on the directorate's budget.

Recommendation

That you:

- note details about the actions taken in the past 12 months at Attachment A;
- note the proposed draft strategy and draft contingency plan that are under development at Attachment B; and
- note the information in the brief.


 Louise Gilding
 Executive Director
 Housing and Community Services


 NOTED/PLEASE DISCUSS
 5 Sept / August 2016

Yvette Berry MLA
 Minister for Housing, Community Services and Social Inclusion

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	What	When
Contractual Obligations –SHS Performance & Reporting	For the period January to June 2015, overdue performance report was an issue. However, the issue was resolved with the next report for the period July to December 2015 submitted on time. The outputs reported met the contractual obligation. The current report for period January to July 2016 is overdue. SHHS and Inanna are in discussion about the reporting timeframe. Key developments are summarised below:	On-going since August 2015
	<ul style="list-style-type: none"> SHHS noted overdue report for the period Jan-Jul 2015 from Inanna. 	August 2015
	<ul style="list-style-type: none"> CGU sent reminder letters to Inanna. 	23 July & 8 September 2015
	<ul style="list-style-type: none"> SHHS followed with a phone call to the acting CEO Rob Martin. He confirmed the report would be submitted within a week, but it was not received. 	9 September 2015
	<ul style="list-style-type: none"> SHHS Senior Manager sent a letter to Inanna highlighting the issue of overdue report and requested the report be submitted as soon as possible. 	30 September 2015
	<ul style="list-style-type: none"> SHHS followed with a phone call to a/g CEO and got confirmation that report would be submitted on 21 October. No report received on that day 	21 October 2015
	<ul style="list-style-type: none"> SHHS Senior Manager sent a Notice letter to Inanna to advise that SHHS would follow the process specified in section 10 Resolution of Issues under the SFA to resolve the matter. 	23 October 2015
	<ul style="list-style-type: none"> Jan-Jul 2015 performance report was submitted to SHHS. 	10 November 2015
	<ul style="list-style-type: none"> SHHS met with Inanna to discuss their performance and particularly actions that Inanna and SHHS can take to ensure timely report submission. It was agreed that Inanna would share the draft report with SHHS well in advance for comment/feedback before finalising it. This practice would enable better communication and engagement between Inanna and SHHS. 	3 December 2015
	<ul style="list-style-type: none"> Inanna followed the suggestion and shared the draft report with SHHS well in advance. The final report for period Jul – Dec 2015 was submitted on time. 	29 January 2016
	<ul style="list-style-type: none"> SHHS sent a reminder email to the new Inanna CEO regarding submission of the performance report which was due on 31 July. 	4 August 2016
	<ul style="list-style-type: none"> SHHS had a phone conversation with the new CEO Ms Jo O’Sullivan regarding the outstanding performance report. The CEO noted that ‘89% of program managers have been away’, and so she was unable to collect input for the report. However, the CEO confirmed that initial data including the number of current service users across programs would be provided by 2 pm 5 August and the timeframe that the reports will be submitted would also be advised then. 	5 August 2016
Human Services Registrar	SHHS has been kept informed by the HSR regarding Inanna’s non-compliance with the National Community Housing Registration. Key developments are summarised below:	On-going since February 2016
	<ul style="list-style-type: none"> SHHS was informed by HSR of Inanna’s issue of non-compliance with the National Community Housing. 	Mid February 2016
	<ul style="list-style-type: none"> SHHS joined the meeting between HSR and Inanna’s acting CEO regarding the non-compliance issues. 	29 February 2016
	<ul style="list-style-type: none"> HSR issued new Binding Instructions to Inanna. 	31 May 2016
	<ul style="list-style-type: none"> SHHS has been in close consultation with HSR in preparing updates and advice to the Executive and Ministers on the matter. SHHS sought advice from HSR regarding the impact of the matter on the current Service Funding Agreement between SHHS and Inanna and future funding negotiations. 	On-going since February 2016

Service Funding Agreement	The current SFAs between SHHS and Inanna expired on 30 June 2016. To ensure service continuity while Inanna complies with the Binding Instructions, SHHS negotiated a 3 month extension to 30 September 2016. Key developments are summarised below:	March – September 2016
	<ul style="list-style-type: none"> SHHS sent a Letter of Intent to Inanna, advising that SHHS will contact Inanna to discuss the future of the SFA. 	31 March 2016
	<ul style="list-style-type: none"> SHHS informed Inanna that SHHS was seeking advice on how the matter would impact on the current SFA between Inanna and SHHS. 	31 May 2016
	<ul style="list-style-type: none"> SHHS Senior Manager informed Inanna that SHHS would like to offer a 3 month extension to the current SFA while negotiations with the HSR were being undertaken. 	22 June
	<ul style="list-style-type: none"> The letter of extension to 30 September 2016 was signed. 	5 July by acting CEO Jessica Aulich 25 July by new CEO Ms O’Sullivan.

Attachment B**Inanna Inc - Contingency and Transition Planning Proposal*****Background***

In 2015-16, Inanna received around \$1.92 million across five programs to provide specialist homelessness services to women; families; and indigenous people and to manage head leases. During the first 9 months of 2015-2016, Inanna supported 305 clients. As at July 2016, Inanna had 52 HACT properties through the HAAP program to provide its services.

Proposed Strategy

This proposal identifies an immediate and longer term strategy to ensure the continuity of the services across three stages. An initial timeframe is at **Figure 1**:

1. Contingency Planning

The objective of the contingency plan is to ensure service delivery continues for service users should Inanna operations cease. SHHS has identified three possible options for the contingency plan, outlined in the **Options** section below. Timeframes in the current contingency plan have been based on Inanna services ceasing on 1 October 2016, at the end of their current funding, as a worst case scenario. The strategy is intended to be mobilised only if, and when, it is needed, so dates and timeframes may change.

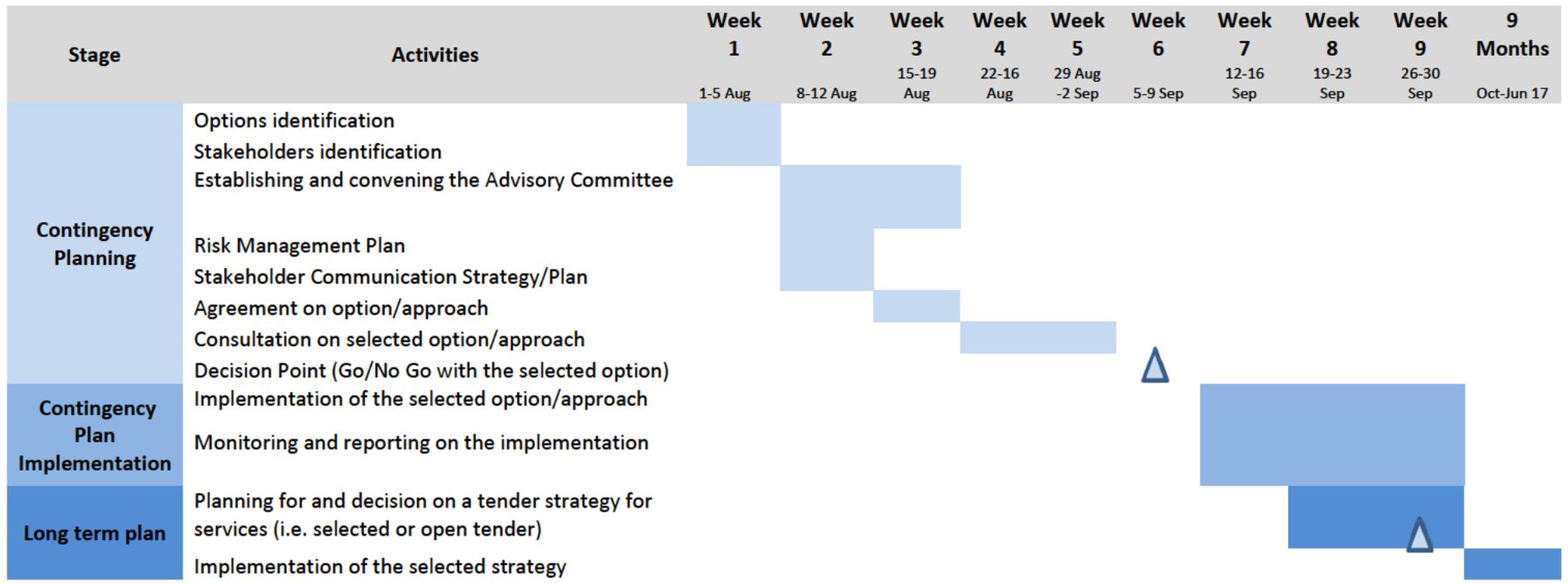
In addition, it is proposed that an Advisory Committee would be established as soon as required to provide advice and oversight on immediate options for service delivery, as well as to guide longer term planning for Inanna service users and services.

Proposed membership for the Advisory Committee would include representatives from HACS (Executive, SHHS, and HAAP), the Human Services Registrar, a Joint Pathways Executive Representative, OneLink, and ATSI Representatives/Elected Body.

2. Implementation of the Contingency Plan: In the worst case scenario, the Contingency option to be selected in consultation with the Advisory Committee would be implemented from 1 October 2016.

3. Long-term plan: This would involve consultation with the sector and service users around the long term future of programs previously provided by Inanna, including a strategy and timeframes to tender for services (i.e. select or open tender).

Figure 1



Options for Contingency Plan

Options are focused on minimising disruption for service users. In all options, service users will remain in their current accommodation (ie HAAP properties allocated to Inanna for their specialist homelessness services). However, the support provider would need to change. For clients, this may mean a new case manager. It is expected that clients will be able to continue with their current case plan, and that Inanna would work with clients to ensure a smooth transition, reducing the need for them to re-tell their story to a new service provider.

Option 1: Separation of support and tenancy management

As the provider of the HAAP properties used for Inanna's programs, HACS could take over tenancy management temporarily, coordinated by a Project Officer. However, as HACS does not provide service delivery in the specialist homelessness sector, SHS support would need to be provided by a current SHS provider. The co-ordinator could work with existing Inanna clients to identify their preferred SHS provider, with a "fee for service" provided to the selected organisation for the support component. Under this approach, it may be possible for some existing Inanna head leased tenants to be signed in place to public housing tenancies.

Pros and cons

There may be some risks around HACS providing tenancy management in the specialist homelessness sector, especially managing expectations that it is a de-facto public housing tenancy. While it would offer current service users significant choice in service provider, the approach is likely to be resource intensive, especially given the temporary nature of accommodation provided. Alternative providers may not be willing or have capacity to accept referrals, even with a fee-for-service component approach.

Option 2: Allocate programs to existing SHS/ Community Housing (CH) providers based on capacity and expertise

Inanna programs could be reallocated to existing SHS or CH provider(s) who operate similar programs under a short-term agreement (eg 1 October 2016-30 June 2017). Alternative provider(s) would temporarily take over delivery of each of the five Inanna programs, until a tender process could be instituted. The HAAP properties would be allocated to the nominated service provider(s) and they would take on full support provision. A preliminary assessment of suitable providers is at **Table 1**. This option would not prevent a single provider taking on the 'supervision' of the current staff and programs.

Pros and cons

This option ensures the current suite of Inanna programs is maintained in the sector, pending longer term planning and tendering for a new provider, or providers, of the services.

This approach may be a more feasible alternative for the sector, because it offers providers greater certainty around total funding and timing of the contract than would a fee-for service approach. It may also offer a more administratively streamlined process.

Option 3: OneLink to allocate Inanna clients to alternative specialist homelessness programs

Existing clients could be referred through OneLink to alternative SHS programs, with the tenancy management and support component transferring to the new program. For example, a client in the Women and Children's Program could identify Northside Community Service (NCS) as their preferred provider and OneLink would facilitate the referral. So that this process does not 'cut into' the current number of places provided by NCS, a 'fee-for-service' payment or funding supplement would be required, covering tenancy management and support.

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Pros and cons

Although a tender process would still be required, this option would have the practical impact of 'dismantling' the Inanna programs in the short term.

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Table 1 -Inanna - Services Overview

Potential alternative service providers are listed based on a preliminary assessment of organisations likely to have the capacity to take over service delivery in the interim, while a longer term decision is made about the future of Inanna programs. Assessment consideration included: experience in tenancy management; organisational capacity; expertise in providing similar services to the cohort group; expertise in working with diverse groups, including Aboriginal and Torres Strait Islanders; and specialist homelessness providers who are also registered community housing providers. Organisations who do not currently provide tenancy or property management have been excluded.

Program	Annual funding (2016-17)	Service Description	Contracted Outputs	Total Service Users 9mths to Mar 2016	Potential Alternative Service Providers
1. Women and Children's Program (Inanna South)	\$ 550,054.28	The program provides supported accommodation for women with or without accompanying children using a case management approach.	11 women with or without children provided with supported accommodation at any one time.	78 service users 11.5% - ATSI < 10 years: 40% 10-17 years: 16% 18-65+: 44%	<ol style="list-style-type: none"> 1. Northside Community Service (NCS) 2. Toora 3. Communities at Work 4. Doris 5. Beryl
Alternative provider assessment					
<ul style="list-style-type: none"> • Women and Children's Program is classified as a women's service in the SHHS sector, and assessment is based on other providers of women's services. Toora and NCS are strong performers, are contracted for programs at a similar or higher number of outputs, and have similar representations of ATSI clients in their women's programs. NCS is also a registered community housing provider. • While Beryl has a high proportion of ATSI clients, Doris and Beryl are providers of women's refuges for women and children escaping DFV, and are comparatively small providers. They are unlikely to have the capacity to provide this quantum of additional services outside their core business in the timeframe needed. 					
2. Family Program (Inanna North)	\$654,394.00	The program provides supported accommodation to families who are homeless or at risk of homelessness in the Gungahlin and West Belconnen area. This includes outreach support to families in a case management framework.	13 families provided with supported accommodation at any one time. A minimum of 2 families receiving outreach on transitioning from the accommodation service at any one time.	130 service users 9.2% - ATSI <10 years: 29% 10-17 years: 22% 18-64 years: 49%	<ol style="list-style-type: none"> 1. St Vincent de Paul 2. YWCA
Alternative provider assessment					

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Program	Annual funding (2016-17)	Service Description	Contracted Outputs	Total Service Users 9mths to Mar 2016	Potential Alternative Service Providers
<ul style="list-style-type: none"> The Inanna Family Program is classified as a family service in the SHS sector, and assessment is based on other providers of Family Services. St Vincent de Paul and YWCA both provide family services with similar number of programs. SVDP also runs other homelessness services and other programs with Tenancy Management. YWCA is a registered community housing provider. 					
3. Indigenous Supported Accommodation Service (ISAS)	\$368,252.68	The program provides supported accommodation to Aboriginal and Torres Strait Islander families who are homeless or at risk of homelessness. This includes outreach support to families in a case management framework.	6 families provided with supported accommodation at any one time in 6 properties. A minimum of 2 families receiving outreach support on transitioning from the accommodation service at any one time. 100% of service users have a case management plan.	85 service users 92% - ATSI <10 years: 41% 10-17 years: 14% 18-59 years: 44.7%	1. Beryl 2. Toora 3. SVDP
<p>Alternative provider assessment: There are a number of sensitivities as the current Indigenous run organisations that provide specialist homelessness services (Winnunga, Gugan Gulwan) do not provide tenancy management, and there are noted capacity issues which are likely to limit their expansion into this sector at the current time. Beryl has a notably high representation of ATSI clients (28%), and are a well respected organisation. While this is outside the scope of Beryl's current core business, the organisation has previously noted in informal discussions a willingness to consider alternative business areas. The smaller scale of ISAS may make it a more feasible option for Beryl to move into compared with other Inanna programs.</p>					
4. Indigenous Boarding House Network	\$305,952.52	This program provides supported accommodation to Aboriginal and Torres Strait Islander families who require temporary accommodation in order to improve their access to various services including but not limited to health, and education.	6 households provided with supported accommodation at any one time in 6 properties.	Inanna currently reports on The Boarding House Network in ISAS data	1. Beryl 2. Havelock Housing Association 3. Argyle Community Housing
<p>Alternative provider assessment : See above. However, the Boarding House Network often accommodates service users with less intensive support needs, so it may be appropriate to consider Havelock or Argyle for this program.</p>					

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Program	Annual funding (2016-17)	Service Description	Contracted Outputs	Total Service Users 9mths to Mar 2016	Potential Alternative Service Providers
5. Head Lease Support	\$80,000.00	The program provides tenancy management and support services in a case management framework.	8 individuals or families provided with head leasing support at any one time.	12 service users 30% - ATSI	Current Head Lease Services: 1. YWCA 2.Toora 3. EveryMan 4. St Vincent de Paul 5. Barnardos
Alternative provider assessment: SHHS and Inanna would consult with each household to identify the most suitable SHS provider in their circumstances.					

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Community Services

Date 24 August 2016

To Minister for Housing, Community Services and Social Inclusion
• Director-General

cc Minister for Disability
Minister for Health

From Human Services Registrar

Trim no M-16/1137

Subject Inanna Inc. (Inanna) – Update of Compliance with the Binding Instructions

For Official Use Only

Critical Date

- HIGH PRIORITY (Due within 5 business days)

Sensitivities

Two individuals (Sched 2.2 (a)(ii) FOI Act 2016) have made representations to the Minister for Housing, Community Services and Social Inclusion regarding the issues faced by the organisation.

Purpose

To provide you with information about Inanna's status of compliance with the binding instructions.

Background/Issues

Inanna is a registered community housing provider that provides transitional and crisis accommodation services for women and families who are homeless or at risk of homelessness. Inanna provide accommodation for up to 44 families at any one time, and with an additional 4 outreach places. The organisation also provides a specific service to Aboriginal and Torres Strait Islander people requiring short-term and crisis accommodation. There have been no previous indications that service delivery has been impacted.

The regulation of community housing providers is guided by the National Regulatory System for Community Housing (NRSCH) and is administered by the Housing Services Registrar (HSR).

On 15 February 2016 a Notice of Non-compliance was issued under the community housing legislation due to the organisation's inability to provide timely reporting to regulators.

The HSR granted Inanna a series of extensions to comply as there were changes in the Board and CEO. Current issues identified with Inanna included the weak management of the organisation at a higher level, lack of governance and skills of the Board and inadequate Board reporting mechanisms.

On 31 May 2016, the Human Services Registrar (HSR) issued a Binding Instruction to Inanna with the intent to bring the organisation back to compliance with the Community Housing Providers National Law. The Binding Instruction specifically identifies the tasks that the organisation needs to implement over a staggered timeframe including resolving internal issues within the organisation.

On 5 July 2016, the HSR met with Inanna Board Chair, another Board member, Acting CEO and their legal representative and accountant following Inanna's request for an extension of time in completing the binding instructions.

The meeting was positive and Inanna provided evidence of having addressed the key issues of lack of leadership and lack of financial planning by being in a position to appoint a new CEO with appropriate skills to start on 15 July 2016 and newly skilled Board members to start immediately. Inanna also presented a draft budget.

Following these considerations, the Human Services Registrar agreed to a further extension of time (6 weeks, until 16 August 2016) to complete the tasks in the binding instructions. A new Binding Instruction was issued on 6 July 2016 with new staggered timeframes and milestones.

Whilst Inanna appointed a new CEO, Ms Jo O'Sullivan, on 18 July 2016 and submitted a draft financial performance report and budget, the current broader staff issues had not been resolved. There are a number of managers and staff that are on sick leave and on workers compensation while others are allegedly withholding information from management.

On Tuesday, 16 August 2016, the HSR met with Inanna Chairperson (Ms Erin Regan), the new CEO, the Inanna employee representative who are on the Board, its legal representatives (Clayton Utz), and financial consultant (McGrathNicol) to monitor progress and compliance with the binding instructions.

At this meeting it was clear Inanna had made little progress in meeting the remaining tasks under the binding instruction. The most recent financial position and cash flow had still yet to be determined by the newly engaged financial consultant (McGrathNicol). Inanna advised the annual financial audit has not started and when asked about covering staff entitlements Inanna were unable to confirm the status. Inanna stated at this stage they can confirm they are viable for a short period measured in weeks to two months. In addition the CEO and staff board representative were uncertain on the current Board composition.

Inanna further reported at this meeting that their IT system was compromised which affects its email system, client data base, financial reporting and sending invoices to NDIA. They advised they have lost months of client and rental history. Inanna could not confirm the budget for their NDIS clients and how many clients have transitioned.

Inanna reported that ^{2.2 (a)(ii) FOIA} *Show Cause* letters have been sent out to employees for issues of misconduct. Sched 2.2 (a)(ii) FOI Act 2016

Inanna advised that the organisation is working on meeting the requirements of the binding instructions but has not submitted a written response of actions taken to demonstrate compliance:

It was agreed at this meeting that Inanna send the HSR written advice by 18 August 2016 of the detailed plan and timeframe demonstrating how the organisation will comply with the binding instructions.

As of today, 24 August 2016, Inanna Inc. has not submitted any written advice /report as agreed during the monitoring meeting.

Inanna has a Board meeting today Wednesday 24 August 2016 in the evening and the HSR is meeting with the CEO and Chair of Inanna on Thursday 25 August 2016.

Possible next steps

Under section 21(1) of the Community Housing National Law, in the event that Inanna Inc. fails to comply with the binding instructions, the Registrar may appoint a Statutory Manager to manage the affairs and activities of the organisation until such time that the organisation is back to compliance and normal operations. The HSR has sought legal advice from the ACT Government Solicitor for guidelines on the appointment of a Statutory Manager.

The Registrar may issue a notice of *Intent to Cancel Registration* if the risk of non-compliance is serious and all reasonable steps have been taken to mitigate the issues. The provider has appellant rights and may apply to the ACT Civil and Administrative Tribunal. The Tribunal would be required to confirm, vary or set aside the Registrars decision.

Media Issues

There is potential for negative media.

Consultation

Ongoing consultation has occurred within the Directorate in relation to this matter.

Financial Implications

The HSR has now informally advised all funding areas within CSD and ACT Health that there are serious concerns regarding Inanna's ability to meet the requirements of the

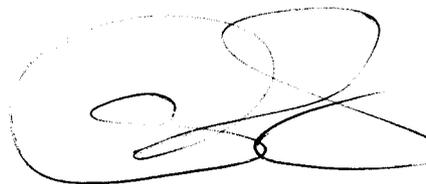
Binding Instructions. Further an informal conversation has been held with the NDIA, however, depending upon further information from Inanna, this may progress to formal notification.

Recommendation

That you:

- Note the information in the brief.

Jancye Winter
Human Services Registrar



25/August 2016
Yvette Berry MLA

Minister for Housing, Community Services and Social Inclusion

*Please ensure my office is kept
up to date daily if necessary about any
progress or otherwise in the management
of his situation. Thanks
Yvette*



SENSITIVE: IN CONFIDENCE

Date 30 August 2016

To Minister for Housing, Community Services and Social Inclusion

- Director-General
- Deputy Director-General *BM 31/2/16*

cc Executive Director, Disability ACT
Senior Director, Housing and Community Services
Director, Human Services Registrar

From Executive Director, Housing and Community Services

Trim no M-16/1049

Subject Inanna Inc – Appointment of Statutory Manager and planning for Continuity of Service Delivery – 2016-17

Critical Date

HIGH PRIORITY. To advise you of latest developments in relation to Inanna Inc and actions taken to ensure continuity of service delivery for Inanna's clients.

Sensitivities

There are sensitivities in relation to current staff at Inanna, some of which have been employed in the organisation for more than a decade. The Community Services Directorate (the Directorate) is meeting with staff regularly and keeping channels of communication open.

Inanna has a high proportion of Aboriginal and Torres Strait Islander (ATSI) clients, and provide the only ATSI-specific accommodation in the specialist homelessness sector. Contingency planning for the two ATSI programs will include consultation with ATSI representatives, and focus on a culturally appropriate response.

Purpose

This brief provides updated information on the actions the Community Service the Directorate has taken to manage the Inanna Specialist Homelessness SFA, and current transition planning for the Inanna's programs and clients should the organisation not remain viable.

Background/Issues Inanna is funded by the Directorate to provide specialist homelessness services (SHS). Inanna provides five specialist homeless programs that provide supported accommodation and case management (including support to apply for public housing, access to counselling, assistance to identify and achieve goals, and connections to additional support services.) Additional information about the services currently provided, funding allocations and service user statistics are included at Attachment A.

SENSITIVE: IN CONFIDENCE

SENSITIVE: IN CONFIDENCE

The Human Services Registrar (HSR) has been working with Inanna since February 2016 to attempt to bring the organisation back into compliance with the National Regulatory System for Community Housing. The HSR has briefed you separately about this process (M-16/1137).

As a result of actions taken by the Human Services Registrar, the Directorate decided not to enter into a new three year SHS agreement with Inanna for the period 2016-19. The Directorate notified Inanna that the existing 2013-16 Service Funding Agreement (SFA) would be extended for three months to 30 September 2016, while negotiations with the Human Services Registrar were in train. Inanna accepted the offer and has received funding of \$487,998 for this period.

The Directorate has managed the SHS contract with Inanna in accordance with the terms and conditions in the 2013-16 SFA. An outline of the actions taken in the past 12 months is at Attachment B.

In addition to the SHS SFA, the Directorate funds Inanna through a SFA with Disability ACT (DACT). The DACT SFA is to deliver Individual Support Packages for six (6) Service Users, including in-home accommodation support, case management, attendant/personal care, and learning and life skills development. These Services Users are scheduled to transition to the National Disability Insurance Scheme (NDIS) in Quarter 8 (April- June 2016) and Quarter 9 (July- September 2016). The DACT SFA expires on 31 December 2016, and totals \$32,338 (GST excl) for the six month period from July-December 2016.

Inanna is also separately contracted by ACT Health to provide eight short and medium term respite beds for women with mental illness. Inanna is a provider for the mental health Housing and Recovery Initiative (HARI). HARI provides individual psychosocial and tenancy support to people with severe mental illness, with services invoicing ACT Health monthly in arrears. This program is closing down as the clients' transition to the NDIS. ACT Health's contract with Inanna is \$280,000 per year plus monthly HARI invoice of \$12,773 (July 16). ACT Health is developing contingency plans for the mental health contract, and are briefing the Minister for Health on the issue. The Directorate is working with Disability ACT and ACT Health to ensure a coherent and integrated cross government approach.

On Wednesday 25 August 2016 the Directorate was advised that the Board and the Chief Executive Officer had resigned from Inanna. In response a Critical Incident Management Team has been established with representatives from HACS, DACT and ACT Health.

Financial information received by the HSR show a clear downward trend in finances over the last 12 month resulting in around \$600,000 debt at the end of July 2016. This appears to be due to increases in staff costs of \$790,828 over the past 12 months and the purchase of 26 vehicles at the cost of \$600,000.

SENSITIVE: IN CONFIDENCE

SENSITIVE: IN CONFIDENCE**Current activities**

The HSR is formally notifying the Registrar-General who administers the *Associations Incorporation Act 1991* of the advice received from the HSR, and the serious concerns with the organisation. The Directorate is also working closely with representatives from the Government Solicitors Office in relation to options, including appointing a Statutory Manager to oversee the organisation in the short term.

The funding bodies HACS, DACT, and ACT Health are focussed on ensuring continuity of service for clients. Senior HACS Management met with Inanna staff on 26 August 2016 and 29 August 2016 to seek reassurance regarding service delivery, and to ensure appropriate communication mechanisms are in place between Housing and Community Services (HACS) and Inanna.

On Wednesday 31 August 2016 the Statutory Manager and the Senior Director HACS will address staff at Inanna to advise that:

- The organisation is no longer sustainable due to the defunct board, the resignation of the CEO and the significant debt.
- A Statutory Manager has been appointed to oversee the running of the organisation
- HACS, DACT and ACT Health will work with Inanna and the sector to transfer the service delivery for clients to appropriate organisations
- The Directorate will, as far as it is able, encourage organisations to take staff on short-term contract to ensure continuity of service relationships with clients

A detailed implementation plan, risk management strategy and communication plan are being developed as a matter of urgency.

Media Issues

The decision to appoint a Statutory Manager and to cease funding Inanna is likely to attract media attention, especially as Inanna has been an established provider in the ACT for more than 30 years. A Communication Strategy is under development, and will identify key messages for stakeholders, including services users, Inanna staff, the wider specialist homelessness sector, and members of the public.

Consultation

Ongoing consultation has occurred within the Directorate in relation to this matter. The Critical Incident Management Team will oversee future consultation strategies to implement any transition planning.

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Financial Implications

The Directorate may incur additional costs in relation to the transition of Inanna clients to other organisations.

Further advice will be provided to you in relation to the future funding that has been procured for Inanna for the next three years amounting to around \$5.6m.

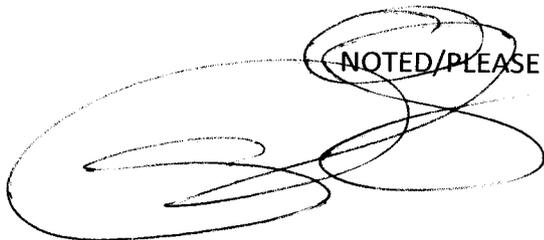
Recommendation

That you:

- note the latest developments in relation to Inanna Inc;
- note the information in relation to Inanna's current programs and possible alternative providers at Attachment A;
- note the details about the actions taken in the past 12 months at Attachment B; and
- note the information in the brief



Louise Gilding
Executive Director
Housing and Community Services



NOTED/PLEASE DISCUSS

8 Sept
/August 2016
Yvette Berry MLA
Minister for Housing, Community Services and Social Inclusion

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Table 1 -Inanna - Services Overview

Potential alternative service providers are listed based on a preliminary assessment of organisations likely to have the capacity to take over service delivery in the interim, while a longer term decision is made about the future of Inanna programs. Assessment consideration included: experience in tenancy management; organisational capacity; expertise in providing similar services to the cohort group; expertise in working with diverse groups, including Aboriginal and Torres Strait Islanders; and specialist homelessness providers who are also registered community housing providers. Organisations who do not currently provide tenancy or property management have been excluded.

Program	Annual funding (2016-17)	Service Description	Contracted Outputs	Total Service Users 9mths to Mar 2016	Potential Alternative Service Providers
1. Women and Children's Program (Inanna South)	\$ 550,054.28	The program provides supported accommodation for women with or without accompanying children using a case management approach.	11 women with or without children provided with supported accommodation at any one time.	78 service users 11.5% - ATSI < 10 years: 40% 10-17 years: 16% 18-65+: 44%	<ol style="list-style-type: none"> 1. Northside Community Service (NCS) 2. Toora 3. Communities at Work 4. Doris 5. Beryl
Alternative provider assessment					
<ul style="list-style-type: none"> • Women and Children's Program is classified as a women's service in the SHHS sector, and assessment is based on other providers of women's services. Toora and NCS are strong performers, are contracted for programs at a similar or higher number of outputs, and have similar representations of ATSI clients in their women's programs. NCS is also a registered community housing provider. • While Beryl has a high proportion of ATSI clients, Doris and Beryl are providers of women's refuges for women and children escaping DFV, and are comparatively small providers. They are unlikely to have the capacity to provide this quantum of additional services outside their core business in the timeframe needed. 					
2. Family Program (Inanna North)	\$654,394.00	The program provides supported accommodation to families who are homeless or at risk of homelessness in the Gungahlin and West Belconnen area. This includes outreach support to families in a case management framework.	13 families provided with supported accommodation at any one time. A minimum of 2 families receiving outreach on transitioning from the accommodation service at any one time.	130 service users 9.2% - ATSI <10 years: 29% 10-17 years: 22% 18-64 years: 49%	<ol style="list-style-type: none"> 1. St Vincent de Paul 2. YWCA

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Program	Annual funding (2016-17)	Service Description	Contracted Outputs	Total Service Users 9mths to Mar 2016	Potential Alternative Service Providers
Alternative provider assessment					
<ul style="list-style-type: none"> The Inanna Family Program is classified as a family service in the SHS sector, and assessment is based on other providers of Family Services. St Vincent de Paul and YWCA both provide family services with similar number of programs. SVDP also runs other homelessness services and other programs with Tenancy Management. YWCA is a registered community housing provider. 					
3. Indigenous Supported Accommodation Service (ISAS)	\$368,252.68	The program provides supported accommodation to Aboriginal and Torres Strait Islander families who are homeless or at risk of homelessness. This includes outreach support to families in a case management framework.	6 families provided with supported accommodation at any one time in 6 properties. A minimum of 2 families receiving outreach support on transitioning from the accommodation service at any one time. 100% of service users have a case management plan.	85 service users 92% - ATSI <10 years: 41% 10-17 years: 14% 18-59 years: 44.7%	<ol style="list-style-type: none"> Beryl Toora SVDP
Alternative provider assessment: There are a number of sensitivities as the current Indigenous run organisations that provide specialist homelessness services (Winnunga, Gugan Gulwan) do not provide tenancy management, and there are noted capacity issues which are likely to limit their expansion into this sector at the current time. Beryl has a notably high representation of ATSI clients (28%), and are a well respected organisation. While this is outside the scope of Beryl's current core business, the organisation has previously noted in informal discussions a willingness to consider alternative business areas. The smaller scale of ISAS may make it a more feasible option for Beryl to move into compared with other Inanna programs.					
4. Indigenous Boarding House Network	\$305,952.52	This program provides supported accommodation to Aboriginal and Torres Strait Islander families who require temporary accommodation in order to improve their access to various services including but not limited to health, and education.	6 households provided with supported accommodation at any one time in 6 properties.	Inanna currently reports on The Boarding House Network in ISAS data	<ol style="list-style-type: none"> Beryl Havelock Housing Association Argyle Community Housing
Alternative provider assessment : See above. However, the Boarding House Network often accommodates service users with less intensive support needs, so it may be					

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Program	Annual funding (2016-17)	Service Description	Contracted Outputs	Total Service Users 9mths to Mar 2016	Potential Alternative Service Providers
appropriate to consider Havelock or Argyle for this program.					
5. Head Lease Support	\$80,000.00	The program provides tenancy management and support services in a case management framework.	8 individuals or families provided with head leasing support at any one time.	12 service users 30% - ATSI	Current Head Lease Services: 1. YWCA 2.Toora 3. EveryMan 4. St Vincent de Paul 5. Barnardos
Alternative provider assessment: SHHS and Inanna would consult with each household to identify the most suitable SHS provider in their circumstances.					

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	What	When
Contractual Obligations –SHS Performance & Reporting	<p>For the period January to June 2015, overdue performance report was an issue. However, the issue was resolved with the next report for the period July to December 2015 submitted on time. The outputs reported met the contractual obligation.</p> <p>The current report for period January to July 2016 is overdue. SHHS and Inanna are in discussion about the reporting timeframe.</p> <p>Key developments are summarised below:</p>	On-going since August 2015
	<ul style="list-style-type: none"> SHHS noted overdue report for the period Jan-Jul 2015 from Inanna. 	August 2015
	<ul style="list-style-type: none"> CGU sent reminder letters to Inanna. 	23 July & 8 September 2015
	<ul style="list-style-type: none"> SHHS followed with a phone call to the acting CEO Rob Martin. He confirmed the report would be submitted within a week, but it was not received. 	9 September 2015
	<ul style="list-style-type: none"> SHHS Senior Manager sent a letter to Inanna highlighting the issue of overdue report and requested the report be submitted as soon as possible. 	30 September 2015
	<ul style="list-style-type: none"> SHHS followed with a phone call to a/g CEO and got confirmation that report would be submitted on 21 October. No report received on that day 	21 October 2015
	<ul style="list-style-type: none"> SHHS Senior Manager sent a Notice letter to Inanna to advise that SHHS would follow the process specified in section 10 Resolution of Issues under the SFA to resolve the matter. 	23 October 2015
	<ul style="list-style-type: none"> Jan-Jul 2015 performance report was submitted to SHHS. 	10 November 2015
	<ul style="list-style-type: none"> SHHS met with Inanna to discuss their performance and particularly actions that Inanna and SHHS can take to ensure timely report submission. It was agreed that Inanna would share the draft report with SHHS well in advance for comment/feedback before finalising it. This practice would enable better communication and engagement between Inanna and SHHS. 	3 December 2015
	<ul style="list-style-type: none"> Inanna followed the suggestion and shared the draft report with SHHS well in advance. The final report for period Jul – Dec 2015 was submitted on time. 	29 January 2016
	<ul style="list-style-type: none"> SHHS sent a reminder email to the new Inanna CEO regarding submission of the performance report which was due on 31 July. 	4 August 2016
	<ul style="list-style-type: none"> SHHS had a phone conversation with the new CEO Ms Jo O’Sullivan regarding the outstanding performance report. The CEO noted that ‘89% of program managers have been away’, and so she was unable to collect input for the report. However, the CEO confirmed that initial data including the number of current service users across programs would be provided by 2 pm, on 5 August and the timeframe that the reports will be submitted would also be advised then. The CEO rang SHHS at 2 pm and informed that she was not able to provide the update yet as it may take longer time to get the data and promised that update will be provided the following week. 	5 August 2016
	<ul style="list-style-type: none"> No performance reports or update on current numbers of service users were received. SHHS Senior Manager sent a formal reminder letter to the new CEO. 	10 August 2016
	<ul style="list-style-type: none"> SHHS wrote an email to the CEO to arrange a meeting to introduce her to Social Housing and Homelessness Services as Inanna’s relationship manager and funder, and to discuss the delivery of contracted services, pending the submission of the reports. 	10 August 2016

	<ul style="list-style-type: none"> No response received from Inanna. SHHS followed with phone call and left a message to the CEO. Inanna staff rang SHHS and advised that: <i>'CEO has been aware that SHHS is following up and that the CEO email address has been compromised. Because the CEO is busy with back to back meetings, she will get back to SHHS next week'</i>. SHHS asked for alternative email address to contact the CEO. Staff advised that no alternative email is available. 	12 August 2016
Human Services Registrar	SHHS has been kept informed by the HSR regarding Inanna's non-compliance with the National Community Housing Registration. Key developments are summarised below:	On- going since February 2016
	<ul style="list-style-type: none"> SHHS was informed by HSR of Inanna's issue of non-compliance with the National Community Housing. 	Mid February 2016
	<ul style="list-style-type: none"> SHHS joined the meeting between HSR and Inanna's acting CEO regarding the non-compliance issues. 	29 February 2016
	<ul style="list-style-type: none"> HSR issued new Binding Instructions to Inanna. 	31 May 2016
	<ul style="list-style-type: none"> SHHS has been in close consultation with HSR in preparing updates and advice to the Executive and Ministers on the matter. SHHS sought advice from HSR regarding the impact of the matter on the current Service Funding Agreement between SHHS and Inanna and future funding negotiations. 	On-going since February 2016
Service Funding Agreement	The current SFAs between SHHS and Inanna expired on 30 June 2016. To ensure service continuity while Inanna complies with the Binding Instructions, SHHS negotiated a 3 month extension to 30 September 2016. Key developments are summarised below:	March – September 2016
	<ul style="list-style-type: none"> SHHS sent a Letter of Intent to Inanna, advising that SHHS will contact Inanna to discuss the future of the SFA. 	31 March 2016
	<ul style="list-style-type: none"> SHHS informed Inanna that SHHS was seeking advice on how the matter would impact on the current SFA between Inanna and SHHS. 	31 May 2016
	<ul style="list-style-type: none"> SHHS Senior Manager informed Inanna that SHHS would like to offer a 3 month extension to the current SFA while negotiations with the HSR were being undertaken. 	22 June
	<ul style="list-style-type: none"> The letter of extension to 30 September 2016 was signed. 	5 July by acting CEO Jessica Aulich 25 July by new CEO Ms O'Sullivan.
	<ul style="list-style-type: none"> Continued liaison with Human Services Registrar 	July – August 2016
	<ul style="list-style-type: none"> Advice received Board and CEO have resigned 	25 August 2016
	<ul style="list-style-type: none"> Critical Response team first meeting (HACT, DACT, ACT Health) 	26 August 2016
	<ul style="list-style-type: none"> Senior staff from Directorate meet with Inanna North 	26 August 2016
	<ul style="list-style-type: none"> Senior staff from Directorate meet with all Inanna staff (North and South) 	29 August 2016
<ul style="list-style-type: none"> Statutory Manager and Senior Manager HACS to address all Inanna staff 	31 August 2016	