

2 April, 2014

The Hon. Barry O'Farrell, MP
Premier
Level 40 Governor Macquarie Tower
1 Farrer Place
SYDNEY NSW 2000

PO Box 668 Rozelle NSW 2039
T 02 9555 8388
F 02 9810 8145
E info@mhcc.org.au
W www.mhcc.org.au

Re: Urgent refunding of specialised homelessness services for people with mental illness.

Dear Premier,

With the recent announcement by the Commonwealth Government to commit to 12 months stopgap funding of \$115 million under the National Partnership Agreement on Housing (NPAH), the Mental Health Coordinating Council (MHCC) urge the NSW Government to reconsider the substantial reduction of funding (approx. \$7m) being provided through the Going Home Staying Home (GSHS) Reform Plan in the Sydney inner city area.

MHCC Member organisations, especially in Inner Sydney, are expressing distress at the lack of transparency applied to the GSHS tender processes. Many of the service packages put out for tender are for services previously funded at much higher levels. One service who contacted us this week has provided services to homeless women with a mental illness in the inner city for over 25 years. They are a FaCS funded organisation. According to their records, in 2009 the FaCS unit cost calculations for their service were \$138 per client per night. In the current women's package up for tender in the inner city, the unit cost per client is \$8.01. This clearly raises not only viability issues for services, but also issues of quality for homeless women who access these services.

MHCC is also concerned that the reduced funding aimed at achieving service consolidation within the sector will lead to the unnecessary demise of specialised homelessness services. Services for women and people experiencing mental illness and trauma are particularly at risk. The characteristics that makes these small specialist services so vital is that they offer expertise while remaining flexible and agile in responding to local need. These specialist services provide a vital and frequently the only potential referral opportunity for people exiting mental health facilities (frequently on a Community Treatment Order) without which they would languish in acute care settings; the cost of which greatly exceeds that of care in the community. Additionally, the loss of this specialised service system capacity is in direct contradiction to the directions specified under the NSW Housing and Mental Health Agreement.

Concerned peak bodies have attempted to engage with the Department of Families and Community Services (FaCS) regarding package design and access to tender process documentation, which was initially stated to be information to be made public. However little documentation has been forthcoming.

Without sufficient funding for specialised homelessness services, MHCC is concerned that FaCS is developing a set of socioeconomic drivers that will work against the success of the NSW Mental Health Commission's Strategic Plan.

MHCC respectfully requests that you urgently reconsider funding levels for the GSHS Reform Plan in light of the new funding being provided by the Commonwealth. We hope that the NSW

Government can find the capacity to match the funding, and that FaCS develops its capacity for meaningful consultation and accommodation of stakeholder feedback.

As a member of your Council on Homelessness, I request the opportunity to discuss this crucial matter with you as soon as possible.

Yours sincerely,

A handwritten signature in blue ink, appearing to read 'Jenna Bateman', with a large, stylized flourish at the end.

Jenna Bateman

Chief Executive Officer

Mental Health Coordinating Council

CC: Minister Pru Goward
Minister for Family and Community Services and Minister for Women

Minister Kevin Humphries
Minister for Mental Health, Minister for Healthy Lifestyles and Minister for Western New South Wales

John Feneley
Commissioner,
NSW Mental Health Commission