



**Submission by
the Simon Communities of Ireland to the
OECD Review of the Irish Public Service**

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1. Introduction

The Simon Communities of Ireland is a national organisation representing Simon Communities in Cork, Dublin, Dundalk, Galway, the Midlands, the Mid West, the South East and the North West. We have been working with people experiencing homelessness since 1969. Simon work with approximately 2,000 people per year. Collectively we have 300 staff and 800 volunteers, of whom approximately 40 volunteer in a full time capacity.

Our mission is to work with people who experience homelessness and housing exclusion in Ireland by:

- Assisting people at risk of becoming homeless.
- Campaigning for legislative and policy changes and resources that will deliver responsive services for people experiencing homelessness.
- Providing quality care, accommodation, projects and services which support people and enables them to acquire and sustain an appropriate home of their own.

Simon, in partnership with local authorities, the Health Service Executive and other voluntary service providers deliver a wide range of essential services to people who are homeless throughout Ireland. These services include street outreach, emergency accommodation, transitional and supported housing, innovative detox and employment projects and settlement services.

Our Strategic Plan 2006-2009 emphasises our increased commitment to delivering high quality person-centred services across all aspects of our work; measuring the outcomes of our interventions with a view to ongoing improvements; and striving to deliver our services through a framework of human rights.

2. The OECD Review

The Simon Communities of Ireland welcome the undertaking of the OECD Review of the Irish Public Service. Our communities play an important role in delivering services to address homelessness on behalf of Government departments, agencies and local authorities. As public service delivery organisations, it is a key objective of our communities to ensure that they maximise the productivity and effectiveness of the services being provided. In recent years there has been significant public investment in services targeting homelessness in Ireland, and this must be commended. However we believe that significant weaknesses still exist in the Irish Public Service system that impede the effectiveness of such services and the ability of service delivery organisations such as Simon to deliver on our vision of ending homelessness in Ireland.

In order to improve the productivity and effectiveness of public service provision, particularly in relation to services for people experiencing homelessness, we believe there are four key areas that must be targeted moving forward:

- The lack of coordination in planning, funding and delivering public services which require intervention from more than one statutory body.
- The system of funding public services delivered by non-statutory bodies on a partial rather than full-cost recovery basis.
- The failure to make and convey decisions regarding funding to community and voluntary organisations in a timely manner and the delay in releasing finance once a decision has been made.
- The inconsistency of application of good quality standards in public service provision by and the inadequacy of Government controls in this regard.

Simon Communities of Ireland believe that if these 4 key issues were addressed it would lead to more effective and efficient use of Government investment in public services. In the following sections we detail the action required across these areas in order to achieve this. As will be discussed, by securing greater coordination in Irish public service provision, funding of services on a full cost basis, better and more timely financial systems and consistent standards in public service delivery, we believe that significant progress can be made towards ending long-term homelessness in Ireland in the coming years.

3. Greater Coordination in Irish Public Service Provision

A major challenge exists in Irish public service provision where more than one statutory body is responsible for the activities being delivered by a particular service. This is particularly apparent in delivery of services targeting people at risk of, or experiencing, social exclusion. Such individuals require a range of interventions that may combine healthcare support, accommodation services, education and training and welfare assistance in order to address the issues that resulted in their current situation. Yet tackling these issues is the responsibility of four separate statutory bodies - the Health Service Executive, the Department of Environment, Heritage and Local Government, the Department of Enterprise, Trade and Employment (together with the national training agency Fás) and the Department of Social and Family Affairs respectively. However it has proved immensely problematic for these statutory providers to coordinate activity effectively. This often means that individuals experiencing social exclusion have to develop complex relationships with multiple agencies, rather than interacting with one dedicated service that meets all of their needs in a cohesive manner.

Such difficulties exist in the case of homeless services, with interventions typically involving a combination of accommodation and care support, usually delivered by a community and voluntary organisation. The Department of Environment, Heritage and Local Government (via local authorities) and the Health Service Executive are the principal funding agencies for homeless services. Responsibility in this regard was formalised in 'Homelessness: an Integrated Strategy' in 2000, with the Department and local authorities given responsibility for the provision of accommodation for people experiencing homelessness and the Health Boards given responsibility for their health and in-house care needs¹.

Despite this, lack of clarity in the nature of expenditure that each body should support and limited coordination in provision of capital and revenue funding for projects targeting homelessness have impacted negatively on the effectiveness of service provision in recent years. The 'Review of the Implementation of the Government's Integrated and Preventative Homeless Strategies', undertaken by Fitzpatrick Associates in February 2006, concluded that there was a need to improve the integration of funding between the two principal sources of finance for the homeless sector, the Department of Environment, Heritage and Local Government and the Health Service Executive. It recommended that revised homeless strategy should establish a coordinated funding mechanism for the disbursement of capital and current accommodation and care related costs.

¹ The Health Boards were replaced in 2004 with the creation of the Health Service Executive to deliver on their responsibilities.

The establishment of such a coordinated funding mechanism would represent a significant step forward in making public service provision in relation to homelessness more effective. The combination of interventions required to address homelessness have too often been delivered in an inefficient and inconsistent manner as a result of lack of coordination between the Department and HSE. Community and voluntary providers can cite many examples in recent years where capital funding has been approved for a project delivering homeless services while support for the ongoing care costs is not secured, and vice versa. This makes planning of services immensely problematic and hinders the ability of service providers to deliver the holistic packages of support that are needed to help clients progress out of homelessness.

It is hoped that the production of a new national homeless strategy in the autumn will facilitate better coordination between statutory bodies in homeless service provision moving forward. The work of the Cross-Department Team on Homelessness in attempting to agree a coordinated system of allocating capital and revenue funding will be a critical success factor in determining whether new homeless strategy will be effective. Out of this process, there must be clear requirements on local authorities to meet people's housing needs and on HSE to meet people's care or support costs. Controls must also be put in place to ensure that responsibility is not shirked in this regard. This should then facilitate more coordinated and consistent funding for each homeless service providers that allows their services to deliver the accommodation and care interventions required to allow clients to progress out of homelessness.

The coordination of public service provision for services that require activities and interventions that are the responsibility of more than one statutory agency is perhaps the greatest challenge for the Irish public service system moving forward. However it is a challenge that must be solved if more effective and productive public services are to result.

4. Funding of Services on a Full Cost Basis

The lack of coordination of funding and planning of homeless services between the Department of the Environment, Heritage and Local Government and the Health Service Executive is undoubtedly a contributory factor to the very inconsistent levels of funding evident across the services supported. However there are also a number of other factors that impede effective public service provision and these must also be taken into account.

The provision of homeless services by community and voluntary organisations is generally the preferred option of Government, drawing on the long history of such organisations in working with people experiencing homelessness. This work pre-dated the availability of any public funding, when charitable donations were the sole source of income to support such services. Now work to address homelessness is accepted as an essential public service and one for which the Government must take full responsibility. Despite this acceptance of responsibility, however, it is not the case that Government have assumed full responsibility for funding homeless services. In fact there remains a continued reliance on non-statutory sources of funding by community and voluntary organisations in order to operate and sustain homeless services around Ireland due to the lack of public finance available.

This situation is unsustainable. It is not appropriate that any charitable organisation should be expected to deliver a service on behalf of the state, to a quality standard, without full cost recovery. The reality at present is that statutory funding often does not meet the costs for delivering services to an adequate level. Even where initial funding is adequate, the value of funding over a number of years can be eroded by increases in staff costs that rise more quickly than inflation. This issue is particularly acute given that staffing generally accounts for more than 70% of costs attached to the provision of homeless services.

A key additional problem is that funding of services relates only to those costs that involve the actual physical delivery of the service - e.g. the funding of project workers, maintenance of the accommodation, etc. There is often no recognition that in order to deliver a service effectively there exist a range of managerial, administrative, technical and financial functions that must be supported, and typically provider organisations have to find funding to support these functions from alternative sources. This places financial pressure on organisations that can put at risk the efficiency and effectiveness of the services being provided. At present, many projects are under-staffed and under-funded and the continuation of the services will be put at risk without clear commitment to full cost funding by Government in the future.

The difficulties faced by services in meeting the ‘full costs’ of delivering homeless services was revealed in the research report ‘Work Worth Doing: A Review of Staffing in Homeless Services’ produced by Simon Brooke in 2005. It found a series of disparities in the extent and nature of the service provided, staff levels, the skills base and wage rates across homeless services. It identified a need for standardisation of remuneration and staffing based on client needs, and a move towards a system of full cost recovery would facilitate this process.

In order to improve the productivity and effectiveness of public service provision in relation to homeless services, it is essential that standard public service funding practice is adopted with support provided on a full cost recovery basis. In this regard, mechanisms should be introduced to ensure that allocation decisions are made on the basis of costs required to deliver a quality service, with invitations to tender based on realistic specifications for services. The Government should no longer rely on community and voluntary organisations to make up any shortfall in the costs of running these services, as this only results in inconsistent patterns of provision and is not sustainable in the longer-term.

5. Better and More Timely Financial Systems

As has been noted, there is a pressing need for improved coordination of capital and revenue funding for homeless service provision and calculating such funding on the basis of full cost recovery. However it is also important that existing problems in the financial allocations system for service providers are addressed as a matter of priority. It is often the case that decisions are not made on the level of funding being allocated to a community or voluntary organisation to provide a homeless service until well into the calendar year for which this funding is intended to support operations. This makes budget planning immensely difficult for these organisations and places significant pressure on their resources. Alternative sources of funding have to be found to subsidise operational costs while a decision is awaited, and the uncertainty that such a situation creates often makes staff retention difficult.

A further problem is that even when decisions are taken regarding the allocation to be provided to a community and voluntary organisation for provision of a homeless service, there can often be a significant delay prior to that organisation receiving the finance. Our services often receive allocations for the calendar year as late as September and therefore have to find alternative resources to support staff and other costs until this funding arrives. This can prove extremely difficult, with voluntary boards taking unavoidable risks, and this in turn makes planning and development of services extremely problematic.

The effective provision of homeless services in Ireland is placed in further difficulty by a lack of progress in establishing effective multi-annual systems of funding. The Fitzpatrick Associates 'Review of Implementation of the Government's Integrated and Preventative Homeless Strategies' pinpointed a need for multi-annual funding in order to improve the effectiveness of services. There has been some progress in particular areas, most notably with the creation of multi-annual funding mechanisms by the Homeless Agency in Dublin. However there is still great uncertainty about levels of funding in most organisations providing homeless services beyond the current year. There is also little indication that a consistent system of allocating funding on a three year basis for provider organisations and releasing that funding in a timely and efficient manner are going to be forthcoming.

The absence of a timely decision-making process regarding funding and the substantial delays between the point that a decision is made and the eventual release of finance are serious weaknesses in the Irish public service system that impede the effectiveness and productivity of homeless services in Ireland. If these weaknesses can now be addressed, together with the provision of funding on a multi-annual basis, the improved financial systems that would result would improve service productivity moving forward.

6. Consistent Standards in Public Service Delivery

An important issue in relation to public service provision targeting homelessness is the significant inconsistency in terms of practice and standards adopted by different homeless service providers. Many organisations have invested significantly in putting in place best practice standards, with high quality staff employed, appropriate infrastructure introduced and efficient systems developed and implemented. Other organisations have been allowed to operate on a more informal and ad hoc basis that is counter-productive to making real progress in addressing homelessness in Ireland.

This is despite significant work having been undertaken to formulate standards that can be applied across homeless services. The Homeless Agency has developed 'Putting People First', a good practice handbook for homeless services, which details appropriate standards for all the different types of services. However even in the Agency's catchment area in Dublin, application of standards is inconsistent from service to service. Outside Dublin, while 'Putting People First' is widely used by many services committed to improvement, good practice standards are only encouraged with no system in place to ensure adherence in this regard.

In order to develop more effective services, Government now needs to place significant emphasis on applying standards, disseminating best practice and establishing service level agreements in relation to homeless service provision. More formal monitoring of application of quality standards, controlled via service level agreements wherever possible, should be an objective of new homeless strategy. The introduction of a licensing system for homeless service providers should also be given serious consideration. This will ensure delivery of quality interventions by those organisations that are compliant to the agreed set of standards. Projects should be prioritised for funding based on their ability to demonstrate compliance with standards and a commitment to evaluation and continuous improvement of the service they provide.

It is also important to note that quality standards in service delivery cannot be achieved under a system where only direct costs of provision are funded. Adequate structures and supports are also needed for the delivery of quality services. As noted earlier, it is critical that managerial, administrative, technical and financial functions are also funded if the Government is serious about increasing effectiveness of public service provision. Supporting these wider organisational functions facilitates compliance with legislative requirements (governance, HR, health and safety, HACCP), evaluation of services and policy development in such areas as child protection, customer engagement, service policies and staff training and development. Any progress on imposing controls with regard to adherence to good

practice standards in homeless service provision must therefore be underpinned by sufficient resourcing of provider organisations to allow them to meet such obligations.

7. Conclusion

The Simon Communities of Ireland welcome this opportunity to make a submission to the OECD Review of the Irish Public Service. As has been detailed within this submission, there are a number of key issues in relation to the way in which homeless services in Ireland are planned, funded and delivered by Government that must be addressed as a matter of priority. If a more effective system of coordinating service provision can be agreed by the Department of the Environment, Heritage and Local Government and the HSE, a major barrier will be overcome that blights not only services for people experiencing homelessness, but also many other public services that require interventions that are the responsibility of more than one statutory agency. These two bodies must also fund the community and voluntary organisations providing homeless services on a full cost recovery basis, as the shortfall that needs to be met from alternative income sources cannot be sustained on an ongoing basis. Resources must also be allocated in a more timely and efficient manner, with decisions taken prior to commencement of the period for which funding is allocated and finance released immediately upon a decision being taken. Finally, there must also be a concerted effort to ensure that good practice is followed across all homeless services in Ireland, with controls in place to ensure adherence to standards and funding made conditional on such compliance.

If these important steps can be progressed, the effectiveness and productivity of public service provision to address homelessness will be significantly improved. There is an opportunity to achieve real progress in relation to ending long-term homelessness in the coming years, with unprecedented cross-party political support in this regard, and this must be matched by changes in the Irish public service system that can facilitate the developments required.