

## **Senate Inquiry into the Indigenous Advancement Strategy funding round.**

“The Inquiry will examine the impact on service quality, efficiency and sustainability of recent Commonwealth Indigenous Advancement Strategy tendering processes by the Department of the Prime Minister and Cabinet.”

These comments are submitted by the Aboriginal Health and Medical Research Council of NSW (AHMRC) on behalf of its member services – the Aboriginal Community Controlled Health Services in NSW. There are around 160 workers in NSW currently funded under the Department of Prime Minister and Cabinet’s (PM&C) Indigenous Social and Emotional Wellbeing (SEWB) and Alcohol and Other Drugs (AOD) programs. This is a large and varied workforce, roughly split half and half across SEWB and AOD, with over 80% of the workforce identifying as Aboriginal and/or Torres Strait Islander. The workforce comprises Bringing Them Home workers / counsellors; Link Up caseworkers; SEWB and AOD workers, counsellors, psychologists and psychiatrists, and residential rehabilitation workers

The AHMRC submitted its own tender under the IAS to continue and enhance its existing programs: the Social and Emotional Wellbeing Workforce Support Unit (SEWB WSU) and SEWB and AOD training delivered by the Aboriginal Health College. Separate to the IAS, the AHMRC received funding last year to develop an Aboriginal recruitment and retention program.

The AHMRC has responded to each focus area of the submission, as follows:

### **1. the extent of consultation with service providers concerning the size, scope and nature of services tendered, determination of outcomes and other elements of service and contract design;**

Information regarding the IAS has been limited, slow and inconsistent. To date, the Department has only released a list of services approved for funding, there is no national picture of the amounts approved, the length of contracts (some services got three years, some only one), why some services did not get funded, or why funding was awarded to government departments and universities. Some services are still awaiting a meeting with the Department to discuss their funding contract, five weeks following the announcements. One service has had no notification from the Department since submitting their application.

The AHMRC is disappointed that there has been no reported growth in the ACCHS sector across SEWB and AOD programs. The majority of services received approval for funding at existing levels, or less.

The AHMRC welcomes the announcement of funding for the Aboriginal residential rehabilitation service in Moree. However, we are concerned that this funding has come at the cost of existing AOD programs in the region. It appears that at least \$800,000 of annual AOD funding has been lost to the ACCHS sector in the New England region as a result of the IAS funding: around \$400,000 from Tamworth AMS AOD program and a similar amount from the New England Medicare Local that delivered regional Aboriginal AOD programs in partnership with Armajun.

### **2. the effect of the tendering timeframe and lack of notice on service collaboration, consortia and the opportunity for innovative service design and delivery;**

The very short time frame to develop tenders has had a significantly negative impact in these areas.

Because of the tight timeframe for submission and the competitive nature of the process, there was limited opportunity to allow for input from the Boards of services which needed to be aligned with organisational strategic plans. The amount of community consultation and stakeholder consultation was compromised. The need to provide letters of support for the tender created tension between services.

ACCHS are required to obtain Board approval for expenditure, making the engagement of consultants to assist with the application difficult, or impossible.

There was a lot of confusion of where and how organisations could fit their programs into the very narrow scope of the options. The IAS represents 150 programs collapsed into five streams.

Drug and alcohol and social and emotional wellbeing programs were confused as to which section they fit and how their programs fit in to the IAS given they had been moved from the Department of Health. The Safety and Wellbeing program was very poorly described with no reference to the previously funded programs, its relationship to health and health service delivery or to existing policies and manuals/handbooks.

Advice from the Department was inconsistent and contradictory. Some services were told to select across the five streams, and others that tenders covering more than one criteria would not be considered.

To develop coordinated, sustainable state wide services that respond to community and workforce needs requires extensive consultation. Consultation and innovative service design, done properly, cannot be rushed and require careful planning and delivery.

### **3. the evidence base and analysis underlying program design;**

The IAS program is described in the IAS guidelines and application kit. The guidelines, released in July 2014, consists of 34 pages, including four appendices (an eight page application form, two page glossary, two page list of departmental offices and five pages of 'further information'). Information about the program itself is limited to a two page overview and seven pages listing the program outcomes. Additional information on the IAS does not exist. and this does not constitute a 'program'.

Social and emotional wellbeing and AOD funding is included in the 'Safety and Wellbeing' section and consists of a one page description, including a program overview, outcome, objectives and indicators. There are just three indicators:

- reduced violence in Indigenous communities
- Number of Indigenous specific alcohol and other drug treatment services and activities
- Number of sites providing low aromatic fuel

There is great concern amongst the existing SEWB workforce that the emphasis on services for Stolen Generation survivors will be lost, and that the very large investment the Australian Government have made over the years in developing and producing counsellor and Link-Up Handbooks will be wasted, as these are not referred to in the IAS.

The AHMRC welcomes the announcement of continued funding for the Aboriginal Residential Rehabilitation services in NSW. However, none of the services received growth in their future funding. It has long been recognised that these services operate on budgets that are not sufficient to effectively cover all costs. Residential services require 24/7 staffing, have high overheads and no opportunity to generate income. This sector requires a comprehensive analysis and consolidation of funding sources and funding allocations to support viable services.

The AHMRC is deeply concerned about the impact of removing indigenous SEWB and AOD funding from the Department of Health. This will affect the consistency and health outcomes of funded programs, will increase the burden of reporting for services and bears the risk of marginalising these programs within ACCHS.

The issue of evidence base was ludicrous and fanciful and totally distractive when a myriad of reports sit in the Ministers office. The need to rehash this back to the Department was mischievous. There are a myriad reviews covering all of the IAS program areas sitting on shelves in Canberra gathering dust.

**4. the clarity of information provided to prospective tenderers concerning service scope and outcomes;**

There were just two information sessions provided in NSW for prospective tenderers, which included a live web link to Canberra and had many providers participating by teleconference. The information provided by the department was misleading and it appeared that the departmental officers delivering the information did not fully understand it themselves.

The AHMRC asked about where the existing Bringing Them Home program fits in the IAS and received a vague answer about the Safety and Wellbeing program. In reference to the SEWB WSU run by the AHMRC, we did not receive clear advice as to whether this program would fit best under Jobs, Land and Economy or Safety and Wellbeing. Furthermore, a department representative, when asked what the department means when it refers to 'Safety and Wellbeing', replied "I don't know".

**5. the opportunities created for innovative service design and delivery, and the extent to which this was reflected in the outcomes of the tender process;**

As mentioned above, the development of innovative services requires careful planning and consultation. There are many things to consider when planning Aboriginal services, including community need, existing services, stakeholders and partners.

The IAS application form was complex and required many hours of research, evidence gathering and seeking support. ACCHS struggled to articulate and demonstrate the value of their existing services, let alone having the capacity to think about, plan, consult and develop new programs.

This is a great disappointment of the IAS. It promised flexibility and responsiveness, yet created none of the conditions necessary to deliver those things. Furthermore, the majority of funding allocated to the ACCHS merely reflected existing funding levels. No growth or expansion was funded, therefore eliminating the possibility of new programs.

Enthusiasm to engage in this funding round, and to develop innovative services was restricted by the rushed, poorly developed IAS and a degree of cynicism in the Australian Government's ability to deliver. ACCHS and Aboriginal communities have been 'subject' to new policies and programs for decades and know very well that without proper engagement, consultation and planning, new programs will not succeed.

**6. the number of non-compliant projects, the nature of the non-compliance, if and how they were assisted, and how many of these were successful;**

One ACCHS has received no response from the Department since submitting their application, despite receiving electronic notification of its submission and a receipt number. They have not been informed whether the application was compliant or successful.

**7. analysis of the types, size and structures of organisations which were successful and unsuccessful under this process;**

**8. the implementation and extent of compliance with Commonwealth Grant Guidelines;**

**9. the potential and likely impacts on service users concerning service delivery, continuity, quality and reliability;**

Some staff have been lost already to the sector as a result of the IAS funding round timeframes and delays. The funding results were announced in March – current funding arrangements end on 30 June 2015. Workers cannot wait to see if they have a job in July; they need certainty and financial security.

Planning for service delivery from July 2015 can only just begin now that services are assured of funding. Valuable time has been lost in planning and preparing for ongoing services, which will ultimately affect clients needing long term care and services.

The allocated funding levels in many cases, would not allow us to upskill our workforce. Evidence based practice is the only true measure of value for money. The workforce needs the opportunity for upskilling to address emerging trends, such as the much sensationalised Ice epidemic.

As mentioned earlier, there are existing policies, manuals and handbooks that describe recommended and mandatory funding requirements for services funded under existing SEWB and AOD programs. It is unclear if these are still relevant, or what the priorities are for service delivery.

Two Bringing Them Home workers in Dubbo were not funded. There is deep concern about continuity of service for their clients and the loss of these skilled, experienced Aboriginal workers to the workforce.

The level of uncertainty and lack of clarity around the IAS is having a significant affect on the morale and motivation of funded services and the workforce. The sector is not confident that the Department knows what it wants from them with this funding, or that there is a genuine commitment to Aboriginal community control and self determination.

**10. the framework and measures in place, if any, to assess the impacts of these reforms on service user outcomes and service sustainability and effectiveness;**

No thought or consideration of the impacts of the IAS was built into the tender process. It was a rushed process put in place to achieve short term kudos for the Government to gain public favour, which in time will bear compromised results.

**11. the information provided to tenderers about how decisions are made, feedback mechanisms for unsuccessful tender applicants, and the participation of independent experts in tender review processes to ensure fairness and transparency;**

This has been particularly poor. There has been no indication as to the skill level and knowledge of those assessing the applications. Given the melting pot of public servants that the Dept of PM&C has become - with staff moving from many different departments to take up new and ill-defined roles - there is no confidence that applications were assessed by people with knowledge of the programs or policies relating to the five programs. The rushed nature has seriously compromised transparency and fairness.

Local services deliver effective local solutions. In some instances local services have not been funded, and it is unclear how local need and support for programs was demonstrated by external mainstream organisations.

**12. the impact on advocacy and policy services across the sector;**

As the peak body for ACCHS in NSW, the AHMRC has tried to provide as much information as possible about the funding round to its members. It has been incredibly hard to get detailed, consistent information.

**13. factors relating to the efficient and effective collection and sharing of data on outcomes within and across program streams to allow actuarial analysis of program, cohort and population outcomes to be measured and evaluated;**

As mentioned above, removing SEWB and AOD funding from the Dept of Health will have significant implications for data and the measurement of outcomes. SEWB and AOD issues in Aboriginal communities are inextricably linked to other health issues and the AHMRC is very concerned that these programs have been separated from health funding and outcomes.

**14. the extent of contracts offered, and the associated conditions, to successful applicants;**

It is unclear why some services got three year funding and others only one year.

As already stated, the lack of growth in the sector is disappointing given the overwhelming current evidence of SEWB and AOD issues in Aboriginal communities.

**15. the effect of mandatory incorporation under the Corporations (Aboriginal and Torres Strait Islander) Act 2006 on Indigenous organisations receiving grants of \$500 000 or more per annum;**

Forcing a particular type of incorporation on an organisation is discriminatory. Many ACCHS have chosen to register with ASIC, or other incorporating bodies, because they have more

rigorous requirements. If services are forced to change their registration there will be resource implications – time spent meeting possibly different criteria and submitting applications.

ACCHS should be permitted to choose their incorporating body, just as any other organisation can.

**16. the effect and cost impact of delays in the assessment process and the extension of interim funding on organisations pending the outcome of the Indigenous Advancement Strategy; and**

Delayed recruitment – vacant positions, reduced services = unspent funds.

Resignation of staff wanting job security.

Delayed service design and delivery. Short term projects, no long term vision or outcomes.

Delays have led to staffing issues of insecurity and reduced work performance. When staff are unsure of their future at work their productivity falls and they begin to seek other employment opportunities which means that very good effective and competent staff leave. This then means that organisations have the added cost of recruitment and training, impacting on funding outcomes.

Services that consulted with their community over proposed new funding are having to explain now that new programs have not been funded, thereby damaging the relationship and confidence in the service.

**17. any other related matters.**

Submission closing date is **30 April 2015**. The reporting date is **18 June 2015**.