

# Improving the way we work with Aboriginal Community Controlled Organisations

How the Department of Human Services can assist in improving service delivery outcomes for Aboriginal Victorians.

## Community summary report

### What is this project all about?

The purpose of this project is to improve outcomes for Aboriginal Victorians by supporting the capacity of Aboriginal Community Controlled Organisations (ACCOs) to:

- Maintain strength and stability;
- Deliver culturally appropriate services consistent with their funding agreement; and
- Meet government accountability requirements.

Improving the life expectancy and quality of life of Aboriginal people in Victoria is a shared responsibility and challenge for all parts of the Victorian community.

A key element to improving outcomes is access to quality health, housing, aged care and child and family services.

The Department of Human Services (DHS) is committed to ensuring Aboriginal people in Victoria have access to high quality human services. In many circumstances this includes giving people a choice between accessing services through mainstream service providers that are culturally appropriate and accessing services through Aboriginal Community Controlled Organisations (ACCOs).

The members of the DHS Aboriginal Human Services Forum have repeatedly identified the continued viability of the Aboriginal community controlled sector as an issue.

In recent years a number of organisations have experienced difficulties. This has direct adverse consequences not only for the organisation and for the local Aboriginal community but also for achieving the government's objectives of reconciliation and respect.

Further, the new child protection reforms are premised on strong, sustainable organisations able to take on new funding and new service delivery responsibilities.

### What have we done?

- Held a workshop with all DHS funded Aboriginal organisations in February 2006;
- Held individual site and small group consultations with organisations;
- Looked at the current national and state policy environments; and
- Talked with DHS staff including Regional Directors, regional program and planning managers, Aboriginal Planning Officers and central program managers.

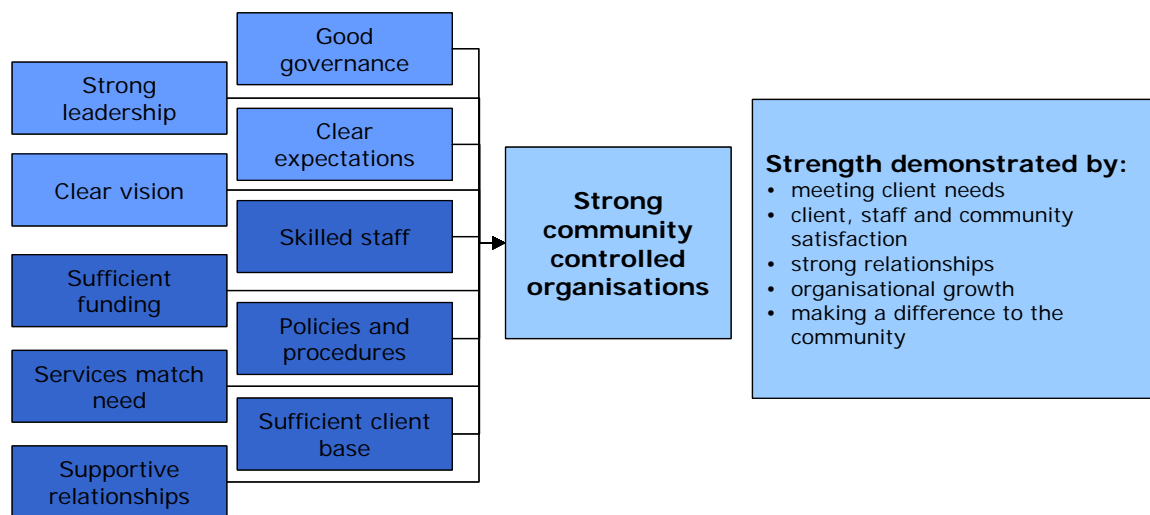
These discussions have shaped the recommendations of this report and the acknowledgement of the uniqueness of Aboriginal organisations.

Thank you to all those who contributed their time and effort to help develop this report.

### What makes Aboriginal organisations different and special?

This project has been developed on the basis that Aboriginal organisations are fundamentally different from DHS' more than 2500 funded organisations, because:

- They have a unique history as part of Aboriginal people's struggle for self determination;
- They belong to and serve the Aboriginal people of this State, who are also the most disadvantaged and complex population group on any measure;
- No other organisational sector provides the same breadth of activities from such a small base for such a small and dispersed population; and
- Most importantly, they have multiple roles: as service providers, as the 'voice' for their communities on many issues outside their service provision role, and as a significant employer of Aboriginal people.



## Strong organisations lead to improved outcomes

At the workshop organisations talked about what is working well and how we know when an organisation is successful. The diagram above illustrates some of the things that were said around meeting client needs, strong relationships and making a difference to the community.

Participants also talked about successes:

- staff knowledge of cultural needs;
- volunteering and community involvement in the organisations; and
- relationships with mainstream services.

There are a number of things that make an organisation strong and we need to build these to help improve outcomes for Aboriginal people in Victoria. The recommendations aim to build strong organisations.

## What are the barriers facing Aboriginal organisations in building their strength?

Aboriginal organisations face a number of challenges to their continued viability:

- Relatively small organisations attempting to provide a wide range of services, each with their own funding and reporting requirements;
- Very few organisations having access to alternative sources of funding and as such being reliant on government funding, both state and commonwealth;
- Managing high and sometimes competing expectations from both government and community coupled with complex client needs;

- Tension between mainstream concepts of public administration and governance requirements and Aboriginal culture and values;
- Difficulties in attracting appropriately qualified Aboriginal board members;
- Difficulties in recruiting, supervising and supporting staff; and
- Multiple and heavy consultation demands from government departments.

## What role can DHS play in addressing these barriers?

DHS is rarely the only funder of Aboriginal organisations. Most organisations also receiving funding from OATSIH and some also receiving funding from FACSIA and from other Victorian Government departments such as Education and Justice. However, DHS is responsible for ensuring that, where we fund Aboriginal organisations, we do so in a way that fosters strength and sustainability.

## What are the recommendations in the report?

There are 14 recommendations in total aimed at building strong Aboriginal Community Controlled Organisations. These recommendations look at:

- Ensuring Aboriginal people receive first class services;
- Improving consultation;
- Improving DHS approaches and processes; and
- Developing vision and structures for the future.



**Recommendation 1:**

*DHS Regional Directors be the key point of contact for Aboriginal organisations in working to agree 2- 3 key priorities for each organisation every year. Also, DHS funding agreements have an Aboriginal-friendly summary at the front outlining what services are being funded, for how much money, with what reporting requirements*

Aboriginal organisations told us (a) funding agreements are difficult for Boards and management to understand and (b) there is a lack of senior-level leadership from the department about expectations and priorities.

**Recommendation 2:**

*DHS adopt OATSIH's risk management framework for jointly-funded organisations*

Aboriginal organisations told us they appreciated the benefits of OATSIH's framework, and governments should 'join up' their requirements to make life easier.

**Recommendation 3:**

*DHS should trial 'round table' reporting on what the organisation is doing across all its programs, including a chance to demonstrate successes.*

Aboriginal organisations told us they wanted to be able to talk about what's happening for the agency and the community.

**Recommendation 4:**

*DHS should support the Governance training program AAV is currently rolling out, based on the work of the Office of the Registrar of Aboriginal Corporations. DHS should also support Boards of Management being able to tap into additional expertise (eg legal, HR, finance) as required.*

There was positive feedback about the first round of AAV training. Aboriginal organisations gave us some good examples of being able to broaden the expertise available to Boards of Management whilst still retaining the core principles and practices of Community Control. DHS program and regional staff told us we need to work with the Community Controlled sector and individual organisations on prevention and early intervention in relation to governance issues.

**Recommendation 5:**

*DHS support a 'futures planning' exercise between government departments and the Community Controlled sector.*

VACCHO proposed this exercise as a way of helping all parties better understand the factors affecting the Community Controlled sector in the future, and agreeing on the kind of future we all want to see.

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**Recommendation 6:**  
*DHS introduce new funding guidelines for Aboriginal organisations, starting with new funding and re-visiting existing funding when opportunities arise:*

- *Funding should be at least 0.5EFT plus on costs*
- *Projects should be funded adequately for all tasks*
- *Funding for new programs must provide sufficient time for implementation*
- *Funding should be at least 3 years' duration*
- *Funding submission processes should be appropriate for the level of funding on offer*

Aboriginal organisations told us they cannot deliver the quantum and quality of services in DHS' funding agreement in a culturally appropriate way with the current funding they receive.

**Recommendation 7:**  
*DHS develop a 'model budget' for organisations to adapt as required; and DHS organise appropriate financial management training for organisations.*

DHS programs and regions told us we needed to be more proactive with financial as well as governance issues.

**Recommendation 8:**  
*DHS encourage and support partnerships between Aboriginal and mainstream organisations by:*

- *Taking a less competitive and more partnership-oriented approach to funding*
- *Promoting partnerships at the local level and through the Aboriginal Human Services Forum*
- *Building the concept of partnership into program design*
- *Funding partnership development officers*
- *Funding partnership training programs*

Government policy, Aboriginal organisations and all parts of DHS agree that partnerships are the way to improve outcomes by building the strengths of Aboriginal organisations and improving the understanding of mainstream services.

**Recommendation 9:**  
*DHS acknowledge workforce development as a key issue for organisations and continue to engage on the issue*

All parties repeatedly raised the issue of recruitment and retention of appropriately skilled and qualified staff. Some of the recommendations in this report will help to address this issue. This issue needs to be addressed by both levels of government and DHS will continue to support this work.

**Recommendation 10:**  
*DHS improve its internal consistency and coordination by:*

- *Setting up a head office committee across all program area with Aboriginal programs*
- *Ensuring staff working with Aboriginal organisations are at an appropriately senior level*
- *Each region coordinating and supporting the staff working with Aboriginal organisations*
- *Promulgating guidelines for coordination between head office and regions*

Aboriginal organisations were unhappy that every individual program had its own way of doing business with them. DHS regions and programs asked for more central guidance and coordination.

**Recommendation 11 (short term):**  
*DHS provide more useful and timely feedback to organisations on the information they report.*

Aboriginal organisations acknowledged they often do not meet DHS reporting requirements. They told us this was in part because it didn't appear as though the information was being used for any purpose.

**Recommendation 12 (medium term):**  
*DHS look for a better match between its reporting and accountability requirements, and the way Aboriginal organisations work with their communities.*

Aboriginal organisations told us the number of different reporting requirements makes it difficult to provide the information required. DHS program areas told us they were not getting enough information back to make sound decisions on the future of programs.

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**Recommendation 13:**  
***DHS implement clear consultation guidelines covering:***

- ***Ensuring costs are covered and consultation processes provide benefits for participants as well as DHS***
- ***Minimising consultation burden by using existing structures wherever possible***
- ***Rotating locations across Victoria***
- ***Going to organisations wherever possible rather than making organisations come to DHS***

Aboriginal organisations told us they wanted to be involved in policy and program design and implementation, but this has costs in time and money which need to be recognised.

**Recommendation 14:**  
***DHS programs review their current program lines to see if they can amalgamate related programs, making funding simpler and more adequate for Aboriginal organisations. Also, programs ensure that brokerage funding covers the cost of the broker.***

Aboriginal organisations told us that some programs seem to fund several activities with the same or related objective. The HACCC Program and the child protection area of the Office for Children also identified this issue and have begun the process of amalgamating program funding lines with similar objectives.

**What didn't we recommend, and why?**

**Proposal:**  
***DHS should fund organisations separately for their core infrastructure costs (CEO, finance manager etc) and for projects.***

Rationale for not accepting this proposal: Government policy is based on funding outputs, that is, services and projects of benefit to the community. An allowance is made in output costing for indirect costs including management salaries, training and infrastructure. The model budget in recommendation 7 should help to clarify how funding should be allocated to these overheads.

**Proposal:**  
***DHS funding should be provided as a flexible pool, so that communities can respond to needs as they emerge, rather than being tied to particular programs.***

Rationale for not accepting this proposal: Two contradictory views were expressed by Aboriginal organisations on funding through this project. One was as per the proposal above. The other was that DHS needed to be more, not less, clear about the purpose of funding to ensure everyone had the same expectations. Increased flexibility works against this idea of clear expectations.

Note that the DHS Flexible Funding project is not about a flexible pool of funds but about organisations being able to look at their current funding streams and exploring how these can be better utilised to meet identified client needs. Recommendation 14 seeks to do this at a program level to make it easier for organisations to make sense of their funding lines.

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