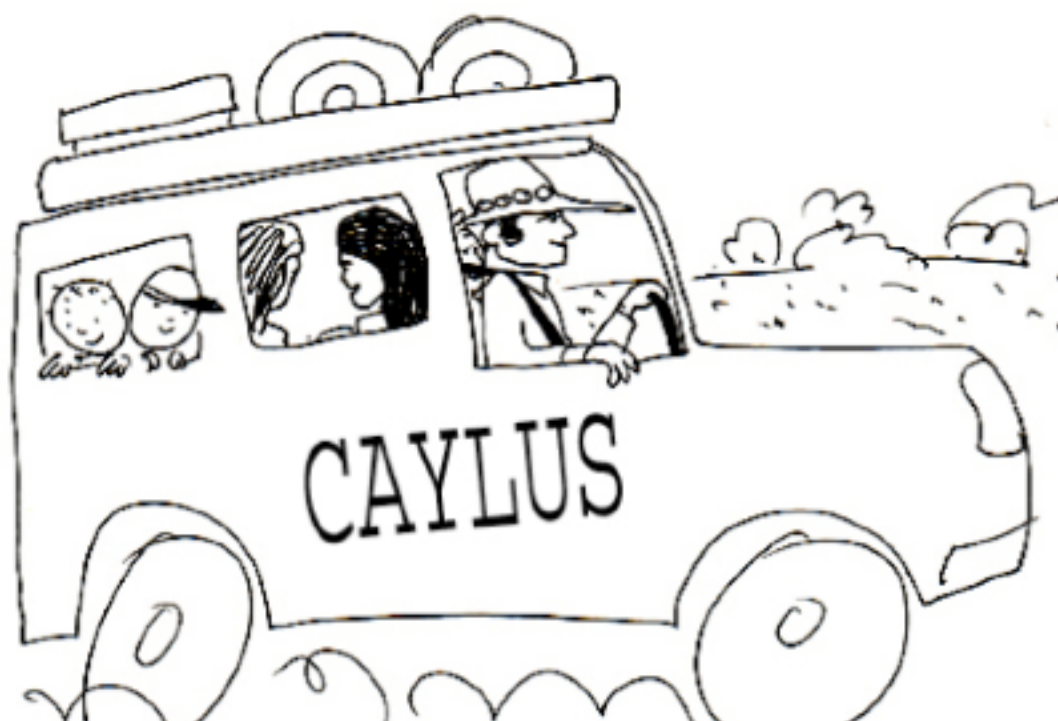


**Submission to the Senate Inquiry into the Commonwealth  
Indigenous Advancement Strategy Tendering Processes**

**May 2015**



**Central Australian Youth Link Up Service**

## Summary of Recommendations

1. That the current program objectives under the Community Safety and Wellbeing area are modified to include 'reduction in access to standard unleaded fuel' and 'reduction in prevalence of petrol sniffing, volatile substance misuse and transference to other substance misuse'.
2. That future efforts under the IAS include work to resolve the 'orphan' assets issue in Central Australia. This should be done by either providing funding to agencies to take on leases and look after such facilities or by relaxing the current restrictions on directing small amounts of Commonwealth funds towards maintenance of unleased assets.
3. That the \$302,940 cut to CAYLUS is reversed and funding is returned to the 2014/15 levels with indexation over the life of our funding agreement.
4. That there should be greater flexibility in the requirement that organisations submit a single organisation wide submission including an overall budget. This should allow for multiple submissions from organisations where applicants deem that this is the clearest way to make funding proposals to government.
5. That within the government the responsibility for the rollout of LAF and complimentary measures is relocated back to The Commonwealth Department of Health along with existing staff and the funding for this measure. That this work is properly resourced with a return to previous staffing levels in order that the department can have a greater on the ground presence and staff are able to build the necessary relationships with retailers and service providers.
6. That along with the relocation of the Petrol Sniffing Strategies Section back to Health responsibility for the operational funding of CAYLUS should also transition back to Health to be managed as one element of the Petrol Sniffing Strategy

**Background:** CAYLUS (Central Australian Youth Link Up Service) is Petrol Sniffing and Youth Substance Misuse Prevention program. We are a division of Tangentyere Council which is a large Aboriginal Organisation that has operated for more than 30 years in Alice Springs. CAYLUS was founded in 2002 and operates across the bottom part of the NT. CAYLUS has a strong record of delivering quality programs for the benefit of youth and families in Central Australia. We have greatly benefited from recognition and support of our good work from all sides of territory and federal politics since our inception.

For greater detail on our model, the work that we do, our history and key achievements see attachments 2 and 3.

CAYLUS has provided its core services since 2002 initially with funding from the Commonwealth Department of Health and Ageing (DOHA) Drug Strategies Branch (DSB), this then moved to the Office of Aboriginal and Torres Strait Islander Health (OATSIH) and then through the reforms that led to the IAS to PM&C. Throughout this time our funding was negotiated and extended through direct procurement. Various governments saw our service as being essential and saw CAYLUS as being best positioned to provide the service.

Since moving to PM&C the government management of our core funding has moved from being centred in Canberra where we dealt primarily with staff who worked on the Petrol Sniffing Strategy to being centred now at the Regional Office in Alice Springs where we deal with staff who manage contracts across a range of areas.

We have also delivered another long-term program called the CAYLUS Youth Worker Brokerage. This was initially funded through the Commonwealth Attorney General Department using funding through the Indigenous Justice Program (IJP) and was moved into PM&C during 2013. This funding is in place until June 2016 and we primarily deal with people in PM&C Canberra in relation to these funds.

### **CAYLUS and the IAS**

We applied through the IAS for three projects, they were:

- Continuation of our core services- this was refunded for three years under the IAS at 2014/15 levels without indexation
- Extension of our IJP funding beyond June 2016 - this was not funded though we hope to negotiate continuation of this project before the current funding expires in June 2016

- a new project called the CAYLUS Orphan Assets project which was unsuccessful

The continuation of our core funding for three years is good news. The announcement has come early (in the past we have sometimes still not had secure funding in place as late as mid June) and this means we have been able to retain existing staff and plan and continue our work going forward. However the lack of indexation amounts to an effective cut of \$302,940 over three years. We are currently working out how we will absorb this cut. If we are unable to locate an alternative source of funds we will need to reduce our service delivery accordingly.

### **Stronger Communities for Children and the IAS**

In June 2014 we were invited to tender for the role of Facilitating Partner in two Stronger Communities for Children (SCfC) sites. SCfC was designed as a well resourced long term program that provides a great opportunity for meaningful work with community stakeholders to improve things for children and families.

Tenders closed mid July, outcomes were to be announced in August with services commencing thereafter. The tender documents indicated that if successful, we as a local Indigenous organisation, would be offered 5 years funding in this role. Also that there would be funding to construct staff housing in the 2<sup>nd</sup> year.

The IAS reforms were then announced in August and eventually it became clear that SCfC has been incorporated into this. Ultimately tender outcomes were not announced until April 10 2015, 8 months later than initially planned. CAYLUS was successful in one of the sites. We are currently in the process of negotiating a funding agreement though there is now only two years funding not five and there is no longer money for staff housing. This is presumably as a result of SCfC funding being cut through the IAS process.

While we anticipate that we will go ahead in the SCfC role and will work towards the best possible outcomes, our efforts are likely to be severely impeded by the lack of staff housing and further constrained by the shorter timeframe.

### **Youth Services in Central Australia and the IAS**

Youth Services are key to preventing a resurgence of petrol sniffing in our region. Under the initial IAS announcements things appeared dire, with a number of key service providers reporting substantial cuts. We were very happy to see the government address this by allocating a further \$20million for youth services in the region. While negotiations are still under way the key service providers have all

been contacted with funding offers that appear to ensure that the services they provide will continue.

In light of this background please see below our response to selected relevant terms of reference of the inquiry.

### **C) The evidence base and analysis underlying program design;**

A key area of interest for CAYLUS is the rollout and use of Low Aromatic Fuel and complimentary measures such as treatment and youth diversion programs. It good that the rollout of Low Aromatic Fuel is specifically mentioned in the outcome indicators under the IAS Community Safety and Wellbeing Area. Specifically these indicators include “Number of sites providing Low Aromatic Fuel”<sup>1</sup>. However the available evidence doesn’t support number of sites using LAF as being a useful indicator of success in this area. There would be little to no value for instance in an outlet in an area with no sniffing problem switching to LAF. Likewise there would be little value in a single outlet in isolation switching to LAF use if standard unleaded remains readily available from other nearby outlets.

This issue was highlighted in the recent Australian National Audit Office (ANAO) Performance Audit into the Delivery of the Petrol Sniffing Strategy in Remote Indigenous Communities which was tabled on May 5 this year. The report included a review of current monitoring and evaluation measures. In its concluding statements the report states “ *The number of sites with LAF provides some limited information regarding the footprint of the PSS, however, this narrowly-focused indicator is not as useful in providing an assessment of the LAF specific objective to reduce access to regular unleaded petrol or in reducing petrol sniffing*”<sup>2</sup>.

We agree with the ANAO’s assessment and recommend that reduction in access to standard unleaded fuel would be a better measure. Reduction in prevalence of petrol sniffing, volatile substance misuse and transference to other substance misuse would also be a good indicator. The LAF monitoring work conducted by Menzies<sup>3</sup> on behalf of the Federal Government has routinely gathered this information.

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<sup>1</sup> See P 15 of the IAS guidelines retrieved from <http://www.dpmc.gov.au/indigenous-affairs/publication/indigenous-advancement-strategy-guidelines-july-2014> on May 14 2015

<sup>2</sup> see p 84 of the Australian National Audit Office (ANAO) Performance Audit into the Delivery of the Petrol Sniffing Strategy in Remote Indigenous Communities [http://www.anao.gov.au/~media/Files/Audit%20Reports/2014%202015/Report%2035/AuditReport\\_2014-2015\\_35.PDF](http://www.anao.gov.au/~media/Files/Audit%20Reports/2014%202015/Report%2035/AuditReport_2014-2015_35.PDF)

<sup>3</sup> the latest of these reports can be downloaded from <http://www.dpmc.gov.au/indigenous-affairs/publication/monitoring-trends-prevalence-petrol-sniffing-selected-aboriginal-communities-interim-report>

**Recommendation 1: That the current program objectives under the Community Safety and Wellbeing area are modified to include 'reduction in access to standard unleaded fuel' and 'reduction in prevalence of petrol sniffing, volatile substance misuse and transference to other substance misuse'.**

**d) the clarity of information provided to prospective tenderers concerning service scope and outcomes;**

Under the IAS it was not clear that the government was openly trying to procure and continue particular services for particular regions (either continuing existing activities and programs or seeking proposals for specific new services). Ultimately it appears that much of the funding will be used simply to continue existing services and there are few examples of new services that have been funded. Given this it would seem most straight forward to in future conduct funding rounds aimed at procuring particular types of services, eg a youth services round and an arts centres round. This would surely make things clearer for applicants as well as for officials working to assess funding applications.

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

CAYLUS used the IAS as an opportunity to propose a new model for the management of selected remote community assets in the region, many of which are used in the delivery of youth services in the region. These assets are becoming known as the 'orphan' assets as leasing reforms by the Commonwealth have created a situation where there is a disincentive for agencies to put funds towards the maintenance of shared community assets like town halls and basketball courts. This means these vital community assets are falling into disrepair. Unfortunately our proposed model was not funded.

**Recommendation 2: That future efforts under the IAS include work to resolve the 'Orphan' assets issue in Central Australia. This should be by either providing funding to agencies to take on leases and look after such facilities or by relaxing the current restrictions on directing small amounts of Commonwealth funds towards maintenance of unleased assets.**

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

Unless we can find an alternative funding source we will need to reduce our level of service delivery in order to absorb the \$302,940 effective cut to our core services that is detailed above. While we are yet to determine where we will accommodate the cuts we will certainly at some level have to provide fewer services to our clients.

Young people and families in our service area have significant unmet needs. Over the years that we have operated CAYLUS has worked to meet as much of this need as we possibly can with available funds whether directly or through partner agencies. We are proud that we are not an admin heavy agency and that the vast majority of funds administered by CAYLUS hit the ground in remote communities (a 2012 analysis indicated 85%). Given this, any cut to our funding is an effective cut to front line services.

**Recommendation 3: That the \$302,940 cut to CAYLUS is reversed and funding is returned to the 2014/15 levels with indexation over the life of our funding agreement.**

We also understand that the Community Centres that currently operate in Larapinta, Karnte Camp and Hidden Valley Town Camps in Alice Springs are yet to secure ongoing funding despite having applied under the IAS. We understand that they have now reapplied under the demand driven process. We hope that these three services are prioritised and continued. These Community Centres have been central to community responses to Volatile Substance Misuse in these town camps as well facilitating community responses to other forms of substance abuse and domestic violence.

**k) 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;**

We sought feedback on our two unsuccessful submissions and so far have received feedback only on the Youth Diversion Worker Brokerage. We receive an email in relation to the Orphan Assets Project Submission on March 27 which indicates we will be contacted and given feedback on why our application was unsuccessful. We are still waiting for this to happen.

We have asked whether the government has a view as to how the \$302,940 cut to our operational funding should be absorbed and what aspect of our services they think we should reduce but no one has been able to give us a clear view on this. .

**n) the extent of contracts offered, and the associated conditions, to successful applicants;**

We still haven't been given a draft contract so cannot comment.

**o) 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;**

Our parent organisation Tangentyere Council has been incorporated under the NT Associations Act for many years and is now reincorporating under ORIC as a result of this requirement. CAYLUS has always enjoyed good governance under Tangentyere.

**q) any other related matters.**

The IAS round 1 has certainly not simplified the funding application process for us. The requirement that we apply as a part of a single Tangentyere Council Submission is particularly problematic. Tangentyere is a large organisation with primarily a focus on Alice Springs services. CAYLUS is primarily a remote community focused program and as a result of our model we have always maintained a distinct identity in the region and Tangentyere has been supportive of this over many years. We have always dealt with our funders directly with the support and delegation of Tangentyere. We have always applied alone for project funds, though at times have been on funding agreements that combine multiple Tangentyere projects.

The overall Tangentyere IAS submission was around 450 pages long. It required a lot of effort to combine our submission with those from with the myriad of other Tangentyere programs and to ensure that proposals remained clear and intact. This approach of combining submissions must surely have also caused many issues at the government end, working out which submissions or parts of submissions were for existing programs and which were for new projects. It must have been hard for officials to work out where they would be defunding an existing service by not funding a project or where they might be duplicating an existing program by funding a proposal.

**Recommendation 4: That there should be greater flexibility in the requirement that organisations submit a single organisation wide submission including an overall budget. This should allow for multiple submissions from organisations where applicants deem that this is the clearest way to make funding proposals to government.**



It is worth noting that in any case despite centralising Indigenous funding and despite requiring a single submission from applicants, to us the IAS seems to have fallen short of its objective of supporting greater interconnectedness between its program areas. We wonder if the ability to achieve this was lost by having the different streams assessed by different groups of experts. The interconnected nature of issues means for example those initiatives that address community safety might also address school attendance. Talking with service providers in our region it appears that the segmentation of the submissions has meant that the interdependence of some initiatives that worked across numerous areas was not fully grasped by those assessing submissions.

The decision to move Indigenous funding programs from multiple locations to sit under PM&C has also not been a great outcome for us. CAYLUS was founded and established as a public health measure by the Commonwealth Department of Health and Ageing and sat under Health in various forms until 2014. Over the years we have managed funding from a range of Commonwealth sources including the Attorney Generals Department, Education, FAHCSIA and now PM&C. On the whole we have generally sat most comfortably within Health where there has been an understanding of the need for a consistent and evidence-based approach to our work. One example of the difference in approach is that our services were always directly procured by Health for all of the years that we have operated whereas now we are competitively tendering. There is also a good understanding within the Health system of the need for advocacy as a part of public health activities. Advocacy has been an important part of our work over the years and we hope that we find a similarly supportive culture at PM&C.

As stated, prior to the move to combine government programs CAYLUS delivered projects funded by DOHA (OATSIH), AG's and FAHCSIA. Now PM&C is our sole funding source. It is not our experience that this has simplified or streamlined our interactions with government. Nor has it strengthened us as a program. Now that we are funded through a single point we have considerably less bargaining power in our interactions with government than when we dealt separately with three government entities.

Another shift has been the relocation of our contract liaison from Canberra to the Alice Springs Regional Office. This has moved back and forth a number of times over the years that we have operated. Our experience is that things have generally run more smoothly when we have been managed from Canberra. This is perhaps because the staff we dealt with were a part of the Petrol Sniffing Strategy or before that the Drug Strategies Branch and thus had specialist knowledge and expertise that related directly to our field. Staff based in the national office have tended to have a better understanding of the national picture and where we sit in that, including an understanding of how good the outcomes have been in our region in comparison with other parts of the country.

Within the government a subset of the group of people that deliver what has previously been called the Petrol Sniffing Strategy (PSS) have been relocated from Health to PM&C. We have always argued that this function of government is best delivered through the health system where there is an organisational culture and infrastructure that has clearly delivered good outcomes through the PSS. Within Health the rollout of LAF was managed as a public health measure, as such there was an understanding that complimentary measures such as diversionary and treatment programs needed to accompany the rollout. Under PM&C and the IAS it is now less clear that this is the approach, as highlighted above in noting the limits of the associated outcome indicators. Under the IAS and in the move to PM&C it is also worth noting that the Government have cut the number of staff delivering the Petrol Sniffing Strategy considerably with fewer dedicated staff in the regions and in the head office. We are concerned that this now means there are fewer people available to work with retailers and service providers to facilitate the implementation of the PSS in targeted zones.

**Recommendation 5: That within the government the responsibility for the rollout of LAF and complimentary measures is relocated back to The Commonwealth Department of Health along with existing staff and the funding for this measure. That this work is properly resourced with a return to previous staffing levels in order that the department can have a greater on the ground presence and staff are able to build the necessary relationships with retailers and service providers.**

**Recommendation 6: That along with the relocation of the Petrol Sniffing Strategies Section back to Health responsibility for the operational funding of CAYLUS should also transition back to Health to be managed as one element of the Petrol Sniffing Strategy**