SUBMISSION IN RESPONSE TO THE QUEENSLAND PRODUCTIVITY COMMISSION DRAFT REPORT:
Service delivery in remote and discrete Aboriginal and Torres Strait Islander communities

Dear Commissioner Fredericks

Thank you for the opportunity to make a submission to the draft report on Service delivery in remote and discrete Aboriginal and Torres Strait Islander communities, and for the opportunity to meet the QPC staff earlier in the year to provide verbal input to the inquiry. This submission is based on a transcript from that meeting.

Effective Community-Driven Development

In order to be effective in community development you need to have the three A's:

Acceptance of the community—whether that amounts to consultation, or full decision making will depend on the community and the circumstances of the development.

Authority—to make things happen the authority of government (including authority from a range of stakeholders from various departments), NGOs and private sector agencies and the various indigenous leader needs to be givens. In Indigenous Affairs, getting this requisite authority can prove to be more difficult to acquire than community Acceptance.

Ability—the people on the project need to have the ability to deliver it. This includes skills and tools, as well as an adaptive learning approach required for solving complex problems. Facilitating and brokering success requires a high level of capability, but insufficient attention is given to the capability building, networking and career progression of frontline workers.

The notion of the three A's is drawn from applied research by Andrews, Pritchett and Woolcock in international development through an approach known as PDIA (Problem Driven Iterative Adaption).[1] Faustino and Booth have coined the notion of 'development entrepreneurship' which draws on adaptive leadership theory from business, as well as entrepreneurial logic and innovation and design thinking.[2] Solutions are best developed through progressive prototyping, by taking small bets, trying little experiments, and failing forward.

There is generally no known linear causality, so often what is best to do is what you pragmatically can do, and then be prepared to lean and 'fail safely' through the process of implementation.

It is vital to emphasise the effectiveness of external agents who are working on the ground. Throwing money at a community, and then leaving does not work. It needs a continued commitment to implement the proposed development changes. Effective development occurs when community leaders and external agents develop the necessary trust and working relationships in a third 'intercultural' space.

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[1] Andrews, M., L. Pritchett and M. Woolcock. 2017. Building State Capability: Evidence, Analysis, Action. Oxford, UK: Oxford University Press.
http://fdslive.oup.com/www.oup.com/academic/pdf/openaccess/9780198747482.pdf
[2] Faustino, J. and D. Booth. 2014. Development Entrepreneurship: How Donors and Leaders can foster Institutional Change. Working Political in Practice Series - Case Study No.2: Asia Foundation and Overseas Development Institute. https://www.odi.org/sites/odi.org.uk/files/odi-assets/publications-opinion-files/9384.pdf .

Competing programs

We have a reasonable consensus on the outcomes for 'Close The Gap', but we have total disarray on how to implement to get there. A consequence of this is the sheer number of programs, with competing, overlapping agendas. Service providers (e.g., education, school, health, police, and child protection) are generally not the problem, but unfortunately, they do also run programs. Most of the programs are run by Commonwealth agencies, and other state government departments and NGOs.

As the Commission has recorded, there are communities of less than 500 people with as many as 100 services and programs. All of the programs have accountability measures, in terms of the KPIs they set, but the aggregate 'closing the gap' measure are not necessarily changing. While programs may be achieving their public administration accountability benchmarks, this does not mean that they are achieving public accountability to the community for outcomes.

If the funds for all of 'additional' programs were pooled, and channelled into a single organisation(s), or to an encompassing community development project(s), it would work to create a more enabling environment for development.

This is not to suggest diluting accountability measures. Rather we need to be innovating new accountability measures, different to the way that everything defaults to another 'program'.

Performance Based Systems

Performance based grant systems are broader than results based funding. A performance based funding approach set performance criteria, and then the organisations that achieve these criteria are rewarded with additional funding.[3]

One of the performance criteria used, which is often overlooked in Indigenous affairs, is whether organisations are effective in being downwardly accountable to their constituents, and transparent in their decision making. It is important to include criteria like this, as it then encourages Indigenous organisations for their efforts, and gives them a natural advantage when tendering against NGOs.

There are Indigenous organisations that perform well in this area, and ones that do not. The ones that do perform well tend to struggle because they are not being funded for this sort of performance, and the end up struggling to survive financially.

Comparatively, NGO's and private sector organisations do not have to spend time maintaining legitimacy to a constituency. A NFP may have a board, but this is very different from having a constituency and a jurisdiction.

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[3] Moran, M., D. Porter and J. Curth. 2014. Funding Indigenous Organisations: Improving Governance Performance through Innovations in Public Finance Management in Remote Australia. Issues paper no 11. Canberra: Closing the Gap Clearinghouse, Australian Institute of Health and Welfare, Australian Government. http://www.aihw.gov.au/closingthegap/publications/.

Evaluations

There needs to be a recognition that conventional evaluations frameworks do not actually tell you what happened. Very few unpack things enough to provide a rigorous causal explanation or to attribute the effects of other programs. Changes may be evident and measurable, but their underlying causes remain unknown. The problem is that, under the way we do things now, the various competing programs will nonetheless claim any positive changes to be a result of their work.

Evaluators need to get out of their typically "ex ante" focus. They tend to want to evaluate the accuracy of forecasts, rather than deal with actuals that are emerging or have emerged from implementation. This is not very helpful to community development, where people need help to incrementally step their way through complex problems, and to be always looking to what is the best next step. Frontline workers need to be able to make small evaluations over short periods of time, to consider what the results were from their last steps. Evaluation efforts then focus on the next step, whether a new tactic is required, or if this method should be continued. This type of approach is perhaps more the science of implementation, rather than what is typically understood as evaluation, but the evaluation part is still critically important.

What is required is an approach that allows truly adaptive practice with real-time information and a focus on incremental change. The reality of implementation with complex problems is that program logic and evaluation is done 'on the fly'.

There are alternatives to conventional evaluation frameworks, such as realist evaluation, which can be a very academic and technical undertaking. There is also developmental evaluation. This is a very in-principled approach to taking evaluation, but it does not yet have effective tools, frameworks, and guidance for operationalising it. Nonetheless, these kinds of evaluations can be useful.

Rather than suggesting that an evaluation framework needs to look at only outcomes, it realistically needs to look also at outputs. This goes against New Public Management policies, which demands discipline to outcomes, blissfully detached from the difficulties of implementation. Overall, there has been a loss of interest in inputs and implementation, and an increased focus on outcomes and impact. In considering the importance of creating an environment for adaptive learning, an analysis of inputs, outputs and intermediate outcomes are also critically important to be working through the complexity of implementation, so that you can actually get to outcomes that everyone wants.

It is important to be humble and honest about what you can do, than to be dishonest and claim that you actually causing a certain impact that might in fact be incidental to your efforts.

People need more than outcome measures. To be effective in adaptive implementation, they also need actionable metrics as well. Real-time, quick information about how things are working or not.

Some programs will be reticent to report on the success (or otherwise) of many activities they are performing because often they are not specifically relevant to the program they are running. Much of the reality of practice of working in Indigenous affairs occurs under the radar of current reporting frameworks.

Jurisdictional Devolution

In Australian public administration parlance, the word 'jurisdiction' is synonymous with the state and territory governments. If we adopt a more dictionary definition of jurisdiction as 'a territory over which authority is exercised', then a much different picture unfolds. Jurisdictions can then also be local, regional, and traditional, and they can be overlapping. A health organisation can have a jurisdiction that overlaps with local government jurisdiction. The Institute for Urban Indigenous Health in Brisbane, for example, is an accomplished aboriginal community controlled health organisation that works across a dispersed urban Indigenous population. So they have managed to establish their jurisdictional basis that overlaps many others.

When you have a clear jurisdiction, then government can use inter-governmental fiscal funding frameworks. Clarity around a jurisdiction enables performance frameworks to be designed around the organisation that serves that jurisdiction, and how that entity is fulfilling its role in serving the population of that jurisdiction.

We have clear examples of this already. Indigenous community councils are funded through the State Government Financial Assistance (SGFA) grants, in keeping with the local government role that they perform. A similar arrangement exists between the Australian Government and the Torres Strait Regional Authority.

But what works in Brisbane, or the Torres Strait won't necessarily work in Yarrabah, or in the Cape or the Gulf. Jurisdictions are inherently local and place based. How their boundaries are negotiated is highly political. What is local and what is regional is highly contested.

It is important to work with the Commonwealth here. The history of the Australian Government's involvement in Indigenous Affairs over the last 50 years has largely been them supporting new jurisdictions on top of those set by the States and Territories. Federal government wants to work with a certain group of organisations and the State government want to work with a different set.

It is interesting to reflect on how the Australian Government deals with mainstream local government, compared to Indigenous affairs. It does not attempt to create new local government jurisdictions, nor does it run as many programs into local government. The Australian Government instead provides financial assistance grants to local government, which are distributed by state governments via state grants commissions. That is, the Australian Government tends to operate more inter-governmentally in its dealing with local government. But when it comes to Indigenous affairs, it supports the creation of new jurisdictions over the top of existing ones, complicating an already very complicated system.

With regards

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