



POSITION STATEMENT

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Funding of Alcohol and Other Drug Interventions and Services for Aboriginal and Torres Strait Islander People

National Indigenous Drug and Alcohol Committee

The leading voice in Indigenous drug and alcohol policy advice

Position Statement

The National Indigenous Drug and Alcohol Committee (NIDAC) affirm and support the principle of Aboriginal and Torres Strait Islander community control¹ of service provision of Aboriginal and Torres Strait Islander specific alcohol and other drugs² (AOD) interventions.

Purpose

The purpose of this paper is to respond to the changes in government policy that are leading to an erosion of Aboriginal and Torres Strait Islander community control of alcohol and other drug services to Aboriginal and Torres Strait Islander people.

There is evidence that community control of health service provision has important benefits that can contribute to better health outcomes for Aboriginal and Torres Strait Islander people. In addition, it has been recognised by the Australian Government that in order to close the gap in Aboriginal and Torres Strait Islander disadvantage, opportunities need to be provided for local people to have ownership and responsibility for the programs delivered in their communities (Closing the Gap: Prime Minister's Report 2013). Despite this, there is a growing trend for governments to fund non-Aboriginal and Torres Strait Islander NGOs to provide Aboriginal and Torres Strait Islander specific AOD interventions, undermining the continued development of community controlled organisations (Gray et al 2010).

This paper provides a rationale for the provision of Aboriginal and Torres Strait Islander specific AOD services by Aboriginal and Torres Strait Islander community controlled organisations, as well as recommendations on ways to support Aboriginal and Torres Strait Islander community controlled organisations to provide these services.

¹ Aboriginal and Torres Strait Islander community control can be defined as the local Aboriginal and Torres Strait Islander community "having control of issues that directly affect their community" (Hunter cited in Gray et al 2010).

² Alcohol and other drugs (AOD) include tobacco as well as other licit and illicit drugs.

Rationale

Available data sources indicate that the levels of consumption of alcohol and other drugs among Aboriginal and Torres Strait Islander people are alarmingly high in comparison to the general population (Gray and Wilkes 2010). Aboriginal and Torres Strait Islanders are much more likely to smoke than non Indigenous Australians. They are also more likely to have recently consumed alcohol and to have done so at levels that put them and those around them at increased risk of harm. The increased use of illicit drugs, including the misuse of pharmaceuticals and the high levels of polydrug use among Aboriginal and Torres Strait Islander Australians, are similarly of concern. Such usage contributes to increased rates of hospitalisations, mental health disorders, physical and social harms, and contact with the criminal justice system (Gray et al 2010).

Many Aboriginal and Torres Strait Islander communities have responded to this situation by working towards finding their own solutions to the complex problems they face. The Aboriginal and Torres Strait Islander community controlled sector was established during the 1970s (Gray et al 2010) in response to the lack of progress in improving Aboriginal and Torres Strait Islander health, and the recognition that mainstream health services did not adequately meet the needs of Aboriginal and Torres Strait Islander people.

Government policy in the 1970s recognised that in order to reduce Aboriginal and Torres Strait Islander inequalities, specific programs were needed over and above those provided for Australians generally; and that self-determination and community control are important. Community controlled health services are able to identify areas of need given their local knowledge; they deliver healthcare in ways that are culturally appropriate and can better communicate with clients, leading to better care; and they greatly improve access to care, especially in remote locations (Councillor 2003). To give effect to this policy, the Australian Government provided increasing levels of funding for Aboriginal and Torres Strait Islander specific programs, and this was allocated to both Aboriginal and Torres Strait Islander community controlled organisations as well as to State and Territory governments. Since the 1970s, policy of supporting the provision of Aboriginal and Torres Strait Islander specific services has continued to be adopted as a means to addressing inequalities in health (Gray et al 2010).

The National Aboriginal and Torres Strait Islander Peoples Complimentary Action Plan (the CAP), is a more recent example of such policy. The CAP, which was endorsed in 2003 and then extended in

2006 by the Ministerial Council on Drugs, addresses issues facing Aboriginal and Torres Strait Islander peoples from the use of licit and illicit drugs. It includes a number of principles that must underpin any actions to address the use of alcohol, tobacco and other drugs in Aboriginal and Torres Strait Islander populations.

Recognition of the importance of Aboriginal and Torres Strait Islander peoples being centrally involved in planning, development and implementation of strategies to address the use of alcohol and other drugs in their communities, and having control over their own health along with drug and alcohol and related services, are examples of some of the key principles of the CAP.

The Aboriginal and Torres Strait Islander Reform Agenda, or Closing the Gap, is the most recent Government policy in relation to health inequities, and is a commitment by all Australian governments to improve the lives of Aboriginal and Torres Strait Islander people. Closing the Gap is linked to a wider reform of Commonwealth-State financial relations, and addresses areas such as education, housing and health. Federal and State and Territory governments formed a number of partnership agreements under this policy, including the *National Partnership Agreement on Closing the Gap in Indigenous Health Outcomes*. This agreement includes specific health targets including reducing harms associated with alcohol and tobacco and a commitment to expand AOD treatment services and support, and allocates both Federal and State/Territory funds to a range of interventions and initiatives to meet these targets (COAG, 2008).³ Underpinning Closing the Gap is a new way of working across government and of governments engaging with Aboriginal and Torres Strait Islander communities.

Research has backed these policy directions by showing the need for Aboriginal and Torres Strait Islander specific initiatives. There is also now research demonstrating that community control of health organisations can improve access to care, make the healthcare provided more appropriate, provide a more holistic approach to better serve people with complex needs, and improve health outcomes (Councillor 2003; Gray et al 2010; Lavoie et al 2010; Rowley et al 2000; Larkin et al 2006; Thomas et al 1998). There is also some evidence which links the empowerment of disadvantaged communities with regard to their healthcare to better health outcomes (Rowley et al 2008; Ring and Firma 1998).

³ The *National Partnership Agreement on Closing the Gap in Indigenous Health Outcomes* expired on June 30, 2013. While the Federal government has reportedly committed to a renewal of the agreement and continuation of Federal funding, the renewed agreement has not yet been finalised.

It is not enough to apply specific evidence-based health interventions within a framework like the CAP. As the above research and rationale indicates, the process through which interventions are applied is of equal importance. Available evidence on interventions specifically targeted at Aboriginal and Torres Strait Islander people also demonstrates that involvement of Aboriginal and Torres Strait Islander people as equal partners at all stages of the development and implementation of strategies, as well as Aboriginal and Torres Strait Islander community control of initiatives, achieves the best outcomes for addressing AOD related harm (Gray et al 2010).

Despite this understanding, an erosion of Aboriginal and Torres Strait Islander community control of services is occurring, with governments increasingly moving towards funding more non-Aboriginal and Torres Strait Islander NGOs. A NIDAC report published in 2010 showed that between 1999/2000 and 2006/07 operational expenditure decreased from 90 per cent to 69 per cent for Aboriginal and Torres Strait Islander community controlled organisations, while there was an increase from 5 per cent to 11 per cent for non Aboriginal and Torres Strait Islander NGOs (Gray et al 2010). In addition to this there was a significant discontinuity in the provision of Aboriginal and Torres Strait Islander AOD services, reflected in the high turnover of organisations providing AOD services and their projects due to short term funding grants.

This situation has been further complicated recently by a number of additional events.

Funding for Aboriginal and Torres Strait Islander peoples AOD treatment services which was previously managed by the Office for Aboriginal and Torres Strait Islander Health (OATSIH) was included in the new Substance Misuse Services Delivery Grants (SMSDG) Fund when it was established in July 2011. The SMSDG Fund is managed within the Mental Health and Drug Treatment Division in the Department of Health and Ageing.

The SMSDG Fund consolidated a number of Australian government funding programs, including Aboriginal and Torres Strait Islander specific programs, to provide a flexible funding pool for services that treat substance misuse. The programs consolidated into the SMSDG Fund included:

- Improved Services for People with Drug and Alcohol Problems and Mental Illness Initiative;
- Aboriginal and Torres Strait Islander Substance Use and Combating Petrol Sniffing programs;
- National Illicit Drugs Strategy – Aboriginal and Torres Strait Islander programs (in part);

- National Illicit Drugs Strategy – Community Education and Information Campaign; and
- National Tobacco Campaign – More Targeted Approach.

The aim of this consolidation was to reduce administrative costs and to make more funding available for service provision.

The outcome of these changes has been that these funds are now more readily available to a range of services, including non-Aboriginal and Torres Strait Islander services. Funds once allocated to Aboriginal and Torres Strait Islander specific services are now included under priority 2 and 3 of the broader funding program, and are open to non-Aboriginal and Torres Strait Islander services that are able to demonstrate that they are assisting Aboriginal and Torres Strait Islander communities to provide service delivery, and supporting services targeting Aboriginal and Torres Strait Islander people. That said, government has advised that non-Aboriginal and Torres Strait Islander services have, so far, only been funded in circumstances where an existing community controlled service has no longer been able to deliver the contracted services.

The prospect of tendering services for Aboriginal and Torres Strait Islander Australians to non-Aboriginal and Torres Strait Islander NGOs undermines the principle of Aboriginal and Torres Strait Islander capacity building, as community controlled services are simply not in a position to compete on an equal footing with many mainstream NGOs in the tendering process. These services may require more support in order to become sustainable. The potential for undermining and de-funding in the future is of concern to the Aboriginal community controlled sector.

In addition to the above, where organisations continue to be funded under OATSIH, they are now required to undergo a risk assessment process. This process has been outsourced to an external independent provider and is part of governments' move to improve the governance structures of community controlled organisations.

While improvements in governance structures are very important in increasing the capacity and effectiveness of Aboriginal and Torres Strait Islander community controlled services, the risk assessment process has added to the burden being placed on these services. A number of services reported that they received extreme risk ratings in the first year due to their lack of capacity to meet funding requirements: a late lodgement of an audit report by an agency's accountant was cited as one reason that a number of services received this status. With changes to the risk assessment

process in the second year and further investment from the Australian government in supporting organisations via a number of peak bodies, some services have been able to embrace the process and use it as an effective management tool.

It is important to recognise that community controlled organisations may struggle with issues surrounding governance. As extensively argued in the literature, community controlled organisations often have cultural and organisational features that are advantageous in terms of enabling them to better deliver healthcare to their communities – but these same features can disadvantage them within a managerial system that derives from a different culture (see Taylor et al, 2001). To be effective, community controlled health organisations need to adapt themselves in organisational terms to the local community. But to retain their funding, they also need to be able to operate within a competitive tendering system that expects specific kinds of organisational arrangements.

Collectively, the changes we have outlined have lead to what many are referring to as a crisis within the Aboriginal and Torres Strait Islander AOD community control sector, a situation that is of grave concern to NIDAC.

It is time for consolidating learnings and working smarter if the best outcomes from addressing harmful AOD use among Aboriginal and Torres Strait Islander populations are to be achieved. Accordingly, NIDAC provides the following recommendations as a means of providing a way forward into the future.

Recommendations

NIDAC urges all Governments to:

- Recommit to the objectives of the Closing the Gap strategy and renew funding commitments through the COAG National Partnerships Agreement.
- Consult with Aboriginal and Torres Strait Islander communities to determine what AOD services are needed to meet the communities' needs.
- Quarantine funding for AOD interventions/services for Aboriginal and Torres Strait Islander people from mainstream funding.
- Prioritise the provision of Aboriginal and Torres Strait Islander specific AOD interventions by Aboriginal and Torres Strait Islander community controlled organisations.
- Where Aboriginal and Torres Strait Islander community controlled organisations are not in a position to provide services, non-Aboriginal and Torres Strait Islander organisations should be required to demonstrate that services will be provided in partnership with Aboriginal community controlled organisations with the understanding that the funded services will be handed over to the Aboriginal community controlled organisation within an identified timeframe.
- Support the capacity building of local Aboriginal and Torres Strait Islander community controlled services to enable them to provide AOD services at a local level.
- Put the health and wellbeing of Aboriginal and Torres Strait Islander people ahead of alcohol industry interests.

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About NIDAC

The National Aboriginal and Torres Strait Islander Drug and Alcohol Committee (NIDAC) was established in 2004 by the principle advisory body to the Prime Minister and the Australian Government, the Australian National Council on Drugs (ANCD), to provide advice to the ANCD and government on addressing Aboriginal and Torres Strait Islander drug and alcohol issues in Australia.

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