

Mr Terry Moran
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Dear Mr Moran

Thank you for the opportunity to make a submission to the issues and reform directions highlighted in *Reform of Australian Government Administration: Building the world's best public service*.

My submission focuses on the skills and capacities required within the APS to meet the challenges in working in and with remote Indigenous communities.

As you would be aware, I am charged through legislation to oversight the implementation of the National Partnership Agreement on Remote Service Delivery Strategy (RSDNP) and in my view, there are three main areas where the APS must adjust and respond to its challenges:

- developing the skill sets of public servants to work in remote communities and drawing on a community development framework to ensure government policies and programs are delivered effectively on the ground;
- ensuring public servants have the delegation and skills to operate and make decisions across government ; and
- ensuring specialist (portfolio) skills and knowledge are available locally at critical planning and service delivery points.

Place-based or whole of government approaches are not new. There is a long history of more or less successful attempts by governments to organise their efforts spatially rather than programmatically to address concentrated social disadvantage.

This renewed effort involves the outplacement of APS people in 29 priority communities and the engagement of many more within Regional Operations Centres in strategic locations.

Despite the lack of rigorous evaluation of whole of government initiatives in the past, it is clear there are gaps in the capacity of APS staff to work in the collaborative, integrated way required in this kind of intervention. This goes well beyond the provision of basic cultural competency training for staff.

Officers who are effective in working with remote Indigenous communities must have a sound understanding of issues such as the demography, governance and institutions of the community as well as the legal, political, sociological and cultural environment. They must also have a sound knowledge of relevant government policies and programs and how to effectively progress issues through government systems to achieve timely results on the ground.

Effective engagement with community members is also essential in the partnership approach envisaged under the RSDNP. Officers must be able to balance their accountability to government and the restrictions of centrally designed programs with their accountability to communities and the need for flexibility to meet local needs.

If APS employees are to be deployed within remote Indigenous communities they must be selected on the basis that they have tertiary educational qualifications in an appropriate field (for example, community development, development economics, anthropology) or extensive, relevant prior work experience.

The Review should give consideration to the merits of establishing a university school, partnership or network that can develop over time qualifications and professional coursework tailored to the needs of the APS and the remote service delivery task.

For example, the Australian National University sponsors the Centre for Aboriginal Economic Policy and Research as well as the Crawford School of Public Policy and it has developed a strategic partnership with Charles Darwin University which might allow for the training and placement of students and officers in the field as part of their studies.

A new pool of entry level APS field staff could be drawn from the graduate pools of accredited or well regarded institutions into a graduate scheme that allows time limited placements across the key agencies of Health, Education and Indigenous Affairs and overseas aid. Indigenous graduate and cadet programs are other sources that might be drawn upon to build a qualified APS field service but they would need to be enhanced to do so.

Other APS field staff could be drawn from those who have undertaken mid career professional courses at one of the aforementioned institutions or who can demonstrate considerable experience in remote service delivery.

The Indigenous leadership development programs, such as the Horizons secondment and mobility program and the Indigenous Scholarships Program, could also take into account the need to develop a skilled field service.

In addition to the development of training pathways for a new specialist field officer class within the APS, agencies need to communicate to their existing staff at all levels that they are authorised to implement the new approach. They also need to assist staff with acquiring the skills required for working in a whole of government way and to increase their understanding of service delivery in a remote community context.

A skilled APS field officer class must be empowered to drive improvements with and for Indigenous community members.

The Office of Audit and Evaluation in their 2009 evaluation of service delivery in remote Indigenous communities pointed to the well known conundrum of locally-based staff having greater knowledge of remote communities, yet decisions on funding are usually made by state or national office staff. They recommended that Australian Government departments locate decision making authority on program funding as close as practicable to the local level.

In compiling my first report to the Minister for Families, Housing, Communities and Indigenous Affairs it was apparent that some larger Australian Government agencies have little interest in the devolution of responsibility to the local level. In at least one case, it is difficult to establish whether state and territory branch offices exercise any delegation or meaningful role. Centralised agencies are better able to control budgets and political risks for their Ministers. However, this comes at a substantial cost on the ground.

The new approach within Indigenous affairs will over time be judged by the results of on the ground efforts in shifting life outcomes for Indigenous people. In this new environment Canberra-based senior APS officers will need to balance the immediate benefits of centralisation and control with the drive to achieve improved health, educational and life outcomes for Indigenous people.

At the very least, large Australian Government agencies could place dedicated staff within the single government interface that has been established to implement the new remote service delivery approach. They could also put more of their funds in the hands of those within these centres to deploy more flexibly.

Some will argue that devolution of responsibility necessarily compromises accountability. This need not be the case and should not be used as an excuse for maintaining the status quo.

Remote Australia is, in every way, very distant from Canberra and State and Territory capitals.

The policy challenges faced in Indigenous communities are often quite different from those of the mainstream. For example, the policy implications of an ageing population are not at the forefront of issues for communities with a median age of around 18 years, and where the life expectancy is at least ten years less than that of the mainstream.

Centrally devised policies and programs may not take into account the realities of service provision in this challenging environment.

It is my view that Canberra-based policy makers must devise ways to close the gap between the policy domains in which they work and the somewhat more chaotic service and community landscape that are remote communities.

Apart from seeking to populate the single government interface with policy specialists to help with the task of translating 'Canberra policy' into real functioning services, Australian Government agencies might also consider:

- a consultancy-based approach, where specialists work alongside field officers for short periods to devise programs and interventions to solve local problems;
- a surge capacity, whereby teams are deployed locally to assist with larger and more complex issues on the ground.

One of the most urgent and significant issues for the review to consider is the current capacity of the APS to manage infrastructure projects.

The task of constructing housing and other small scale health, child care and educational infrastructure is often handled poorly with insufficient project scoping and budgeting, ill-defined consultation with communities, and a lack of driving contractors to achieve milestones.

Key issues complicate delivery of projects in this area including climate, remoteness, workforce difficulties, land tenure issues and a multiplicity of community views. Yet these complexities are well known and can be planned for rather than used as excuses for poor project management.

The implementation of the Nation Building and Stimulus Package demanded greater competency from the APS in the area of infrastructure project management and implementation. Remote service delivery requires that APS staff develop similar competencies.

It is my view that both the APS and state and territory agencies should examine whether the delivery of remote infrastructure might be better managed by a single contracting agency.

As outlined in my report, one approach would be to replicate the process used in the Department of Defence where a panel of managing contractors is selected for the delivery of infrastructure in remote communities with a value of more than \$1 million and less than \$30 million.

The panel would comprise contractors with a demonstrated capacity to deliver community infrastructure projects. Appointing a managing contractor would deliver identified projects in accordance with COAG policy objectives. They would also manage all local and State and Territory Government regulatory requirements, obtain all building certifications and manage the hand over of the property to the operator.

The key benefits of this approach include:

- the policy objective can be documented in the contract and reported against at desired intervals
- it allows for the 'building in' of economic development elements such as Indigenous training and employment, the use of local materials and other requirements
- timelines for delivery are enshrined in the contract with a risk, reward and penalty elements to drive the project
- administration and project management costs can be fixed in accordance with the value of the managing contractor payment schedule

Centralising the contract management function, would concentrate expertise in a single area, achieve greater efficiency in the management of remote infrastructure roll out and over time, reduce the impact of the challenges described earlier.

The ability to develop a register or roster of projects over a forward period would enable contractors to undertake multiple projects in one community, reducing costs; and identify a stream of ongoing work, allowing for the recruitment of Indigenous people into training, apprenticeships and jobs.

The selection by governments including the Australian Government of an initial cluster of 29 priority locations in remote Australia provides an opportunity to test new approaches to the way in which we deliver services. It could be an area where early action is taken.

In summary, I recommend that the Review give consideration to:

- developing training pathways for a new specialist field officer class within the APS;
- the merits of establishing a university school, partnership or network that can develop over time qualifications and professional coursework tailored to the needs of the APS and the remote service delivery task;
- assisting agencies to:
 - communicate to their existing staff at all levels that they are authorised to implement the new approach;
 - ensure staff acquire the skills required for working in a whole of government way; and
 - increase staff understanding of service delivery in a remote community context.
- devising arrangements whereby large Australian Government agencies providing staff to work within Regional Operations Centres, through
 - a consultancy-based approach, where specialists work alongside field officers for short periods to devise programs and interventions to solve local problems; and/or
 - a surge capacity, whereby teams are deployed locally to assist with larger and more complex issues on the ground;
- developing arrangements (which might include structural change) whereby large Australian Government agencies can devolve some funds to be deployed more flexibly through Regional Operations Centres;
- examining whether the delivery of remote services might be better managed by a single contracting agency.

Yours sincerely



Brian Gleeson
Coordinator General
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