Review of the roles and functions of NACCHO and the state/territory Aboriginal and Torres Strait Islander health peak bodies

Confidential report for the National Aboriginal Community Controlled Health Organisation (NACCHO)

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1 Context and Purpose

In 2015, the Commonwealth Department of Health commissioned Nous Group (Nous) to conduct an independent review of the roles and functions of National Aboriginal Community Controlled Health Organisation (NACCHO) and the state/territory Aboriginal and Torres Strait Islander health peak bodies. Nous has been informed by a team of senior Aboriginal and Torres Strait Islander people with extensive experience in the health sector.

The objectives of the Review are to:

1. understand how NACCHO and the state/territory peak bodies contribute to strengthening the organisational capacity of the Aboriginal community controlled health sector and the health system’s delivery of quality, culturally appropriate primary health care for the Aboriginal and Torres Strait Islander population and to achieving the CTG targets;
2. understand how current activities of NACCHO and the state/territory peak bodies align with the needs of the Commonwealth government, ACCHOs and the broader health system, and consider the capabilities required to deliver these activities;
3. consider how NACCHO and the state/territory peak bodies function as a national network and the principal issues regarding health system integration with which NACCHO and the state/territory peak bodies could engage;
4. make recommendations to inform the ongoing delivery of required support to ACCHOs. This will include consideration of a nationally consistent suite of supports to provide guidance to the state/territory peak bodies in supporting ACCHOs, including those that may be experiencing operational difficulties;
5. understand how Commonwealth and state/territory government investment interacts to address jurisdictional need; and
6. consider the range of Commonwealth investment that could be made in NACCHO and the state/territory peak bodies, what that range of investment could purchase and where it could be best targeted to achieve best value for money, having regard to factors such as geographical size, Aboriginal and Torres Strait Islander population, and number of ACCHOs in each jurisdiction.

The outcomes and recommendations from the Review will be used to inform:

- an agreed national work programme utilising Commonwealth funding with an associated monitoring framework that will contribute to, and strengthen capacity to, achieve the Closing the Gap targets; and
- how and where the Commonwealth could direct funding so NACCHO and the state/territory peak bodies can contribute most effectively to enabling the health system to deliver high quality, accessible and culturally safe care to Aboriginal and Torres Strait Islander people1.

The Review has been guided by the Review Advisory Forum (RAF) which has representation from NACCHO, each state and territory peak body, and (for the first two RAF meetings only) the Commonwealth Department of Health. The RAF has met four times and considered the overall structure of the Review, the questions to be asked of all stakeholders, and the draft findings. Their input has been a major guide in shaping the Review and its recommendations.

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1 Review Advisory Forum Terms of Reference
In addition to the overall review report, Nous was also engaged to provide reports on each state and territory peak body and affiliate, and NACCHO. These reports are to be provided to the Department, and the peak body that is the subject of the report. They are not shared more broadly across the sector.

This document is the confidential report on the National Aboriginal Community Controlled Health Organisation (NACCHO) prepared for the Commonwealth Department of Health and NACCHO. It does not repeat findings or discussion in the overarching report but provides additional information in relation to NACCHO.
2 Methodology

The Review began its investigation of NACCHO and the state and territory peak bodies with a document review of Annual Reports, business and action plans, strategic plans, and prior evaluations from each organisation to provide background. It then employed a variety of methodologies to gather feedback from NACCHO and each state and territory peak body, ACCHOs, Primary Health Networks and Commonwealth, state and territory health departments. ACCHOs and Primary Health Networks were invited to participate in online surveys. These surveys asked the respondents for their perceptions of the extent to which their peak body and NACCHO are effective in providing member support and representation to mainstream health services; and how effectively the peak bodies and NACCHO function as a network. The surveys asked respondents to rate effectiveness of member support on a five point scale with 'Very effective' and the top and 'Very ineffective' at the bottom. Face to face interviews were also conducted with state peak CEO’s and Board members, a small group of ACCHOs from each state and territory, and health department officials. In addition the Review invited all interested stakeholders to provide submissions against key questions drawn from the Review Objectives. Figure 1 provides a breakdown of the input sources for surveys and submissions, as well as the total number of responses received for each.

Face to face interviews were also conducted with state peak CEO’s, staff and Board members and health department officials. In addition, all stakeholders were invited to put a submission in to the Review. The submission asked for feedback on the performance of the state/territory peak bodies and NACCHO, and for any other comments. NACCHO and all the state/territory peak bodies put in their own submission, as well as being part of a joint submission. In addition the NACCHO Board, Chair, COO and CEO have met with Nous to put their views on a range of issues.

Figure 1: Breakdown of input sources for surveys and submissions

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2 Quotations from submissions from state and territory peak bodies have been used extensively in this report. They have been de-identified in line with Nous’ commitment that no feedback would be identifiable. This has meant making small changes to many of the quotations. In no case has the meaning been changed.
3 About the National Aboriginal Community Controlled Health Organisation

NACCHO is one of Australia’s largest active national peak bodies, with over 140 individual ACCHO members incorporating urban, rural, remote and very remote Aboriginal Community Controlled Health Organisations across the country. These organisations must meet the criteria for membership, which is that they are ‘community controlled’ – an incorporated Aboriginal organisation, initiated by an Aboriginal body elected by that same community, and delivering holistic and culturally appropriate health services.

NACCHO also has eight ‘affiliate member’ organisations referred to as state and territory peak bodies (NACCHO submission). NACCHO also has an ‘Associate Member’ category for organisations who are not yet able to claim membership, but who are in the process of meeting the conditions for membership.

NACCHO’s strategic direction is focused on three central areas, consistent with its constitutional objectives:

1. Shape the national reform of Aboriginal health,
2. Promote and support high performance and best practice models of culturally appropriate and comprehensive primary health care; and
3. Promote research that will build evidence-informed best practice in Aboriginal health policy and service delivery.

NACCHO is governed by a sixteen member Board of Directors made up of one delegate each from ACT and Tasmania, two from the remaining six jurisdictions, a Chairperson and a Deputy Chairperson. Elections for Directors are held annually, coinciding with each state/territory peak bodies’ Annual General Meeting. There is no formal requirement that people elected to the NACCHO Board are also on the Board of their state/territory peak body, however in practice this is usually the case. The Board members are responsible for maintaining and strengthening connections between NACCHO and their membership.

NACCHO currently employs 17 full time equivalent staff (FTE), distributed as follows:

- Policy – including executive chairperson and chief operating officer – 5.5 FTE
- Expert Advice – 3 FTE
- Administration and member support – 5 FTE
- Media and Communications – 1 FTE
- Information and communication technology and information management - 2 FTE

NACCHO’s primary source of funding is the Commonwealth Government. From time to time NACCHO receives specific grant funding to implement projects, which supplements their income.

4 NACCHO’s contribution to developing sector capability

Part one of the first objective of this Review is to understand the impact that NACCHO has on strengthening the organisational capacity of the sector. This relates to the second of NACCHO’s strategic directions.
ACCHOs were asked whether or not they receive member support from NACCHO as part of the survey. Half of the respondents reported that they do receive services. Just over a fifth (21%) of these rated their services as ‘very effective’. A further third (34%) reported the support was ‘effective’. A further third (34%) noted they found NACCHO support to be ‘neither effective nor ineffective’. Just over one in ten services (13%) of respondents found NACCHO member support to be either ‘ineffective’ or ‘very ineffective’ (Figure 2).

Low numbers of survey respondents mean that this response can only be regarded as indicative of NACCHO’s coverage and effectiveness in delivering member support. However it would appear that around a quarter of the total number of survey respondents felt that they are getting ‘very effective’ or ‘effective’ member support from NACCHO.

Several survey respondents commented that they were confused over whether or not the services they received were from their state/territory peak body, or NACCHO. This is not surprising, given the off-site nature of most of the support provided by NACCHO.

These responses highlight a particular challenge in understanding how NACCHO contributes to sector capacity: there is a lack of clarity in the roles of NACCHO and the state/territory peaks. There does not appear to be a collective agreement as to whether NACCHO develops capability directly with its members, or by working through the state/territory peaks. The Review believes that NACCHO and the state/territory peaks need clearer roles in relation to development and implementation of nationally consistent resources that help build sector capability.

Without this clarity, there is potential for NACCHO’s support to be duplicative or not as effective as it could be. By way of example, NACCHO aimed to improve member organisations’ governance capacity and capability through:

- Developing a template ACCHO Constitution based on the Corporations Act 2001 (Cth), workshopped it at the 2015 Members’ Conference, circulated it to ACCHO Members, and posted it on the NACCHO website.
- Developing a template ACCHO Charter of Corporate Governance which complements the template Constitution.

NACCHO commented that: ‘Both templates have been well received by our members and are recognised as best practice by senior Department of Health Officials’.

However some state/territory peak bodies questioned the efficacy of NACCHO developing and disseminating the constitution and corporate governance templates as a strategy for member support. They commented that they believe that this is not effective, as many organisations don’t need it, and the ones that do need it, often don’t have the resources or staff capacity to use the templates circulated. Strategies for working with lower capacity ACCHOs are seen by a number of the peak bodies as an area where the state/territory peaks are best able to assist:

‘NACCHO should not be supporting the national roll out of template documents anymore. They should be supporting a model that enables services without adequate business systems, to access expertise to assist with the implementation at the service level. It is our observation that the gap between the services that are strong and the weakest is growing because there is a failure to recognise that the services with business
infrastructure weaknesses simply do not have the capacity to use centralised resources – they require hands on assistance which is not provided by NACCHO.’

NACCHO plays a range of other important roles in strengthening the capacity of the sector. Of particular note is the coordination and facilitation role NACCHO plays in improving members’ access to better data - for example through:

- Restoring members’ direct access to OCHREStreams reporting
- Purchase of a PENCAT tool for every member – this assists in the management of health data.

All stakeholders agreed on the need for a national role in developing the evidence and materials needed to underpin the provision of member support in fields such as specific health strategies, quality improvement and so on. If this role does not exist, each state/territory peak body needs to undertake the work from within its own resources. This is inefficient, and likely to lead to unequal and possibly lower quality results, as each body may not have the staff and expertise to devote to the task. The materials developed then need to be delivered by people who have local knowledge and understanding.

There was a strong position put for the efficacy of actual face to face member support being delivered by people who have a chance to develop longer term relationships with organisations:

We believe that highly effective approaches to improve the delivery of comprehensive primary health care is best achieved if state and territory peak bodies are charged with supporting their member organisations to improve their delivery of primary health care. The jurisdictional peak bodies are best placed to work directly with members given their long term, trusting relationships and knowledge of services, local cultural protocols and the communities.

An example of this model was provided through a description of how NACCHO and the state/territory peak bodies worked together on the NACCHO Governance Project:

In 2012, NACCHO received funding from the then Commonwealth Department of Health and Ageing (OATISH) for a governance project for the Aboriginal community controlled health sector. Firstly it established the Sector Governance Network (SGN), which comprised the CEOs and Chairpersons from each State Affiliate supported by the SGN Coordinator. One of the first pieces of work was the development, endorsement and implementation of the National Governance Principles and Guidelines. The other part of the project was for each State Affiliate to support their Members with implementing the Principles and Guidelines and ascertain what support each of the boards required for their organisations. One major area where assistance was provided was with the risk assessment preparations as well as linking to the organisations accreditation preparation as governance features strongly in the accreditation standards. This project was only funded for twelve months, however we continue to utilise the resources shared through the Network by the other State Affiliates.

Another example cited was the accreditation model:

‘It is useful to reflect on examples where NACCHO has played a valuable role working effectively and successfully with the state and territory peaks and ACCHOs/AMS. For example, the development of the Accreditation model worked exceptionally well for our members, jurisdictional peak bodies and the Accreditation industry. Similarly, the approach taken in the development of cultural safety training standards has been well received by us and our members as it afforded state and territories the opportunity to nominate their respective representatives, ensuring national representation and perspectives in the development and agreement on the standards.’

It is notable that both of these examples have NACCHO in the role of coordination and development, rather than direct communication with members. This submission went on to outline the author’s ideal role for NACCHO in member support:

‘The role of NACCHO should be to work with jurisdictional peak bodies to provide evidence based best practice models, and resources to support national approaches to issues requiring consistent practice across
services e.g. accreditation, cultural training. In some cases, specific expertise sitting in NACCHO could be called on to assist members’.

The NACCHO submission notes that:

‘The NACCHO Board has also endorsed a process to out-source national projects, within the parameters of expertise within the State and Territory Peak Bodies, to ensure an effective and stronger working relationship between all our peak organisations.’ (NACCHO submission)

4.1 NACCHO engagement with members

NACCHO engages with member ACCHOs on a range of issues – provision of information, involvement in round tables on particular issues, and regular meetings to discuss NACCHO business.

There was widespread support for NACCHO’s role in gathering and disseminating information on the health system and emerging trends, reforms, new technologies and so on. As one person commented:

‘The NACCHO bulletins are good and I get a lot of information from them. I think a solid effort goes into those and I gain insights which you don’t get from mainstream media.’

However some state/territory peaks commented that they believe communication between NACCHO and the ACCHOs is ‘patchy’ in nature and makes them uneasy, as both NACCHO and the peak are in touch with members directly. Feedback from another state/territory peak body suggested that NACCHO needs to put greater priority on keeping resources up to date to ensure they are current and relevant to changing standards, and to communicating to peak bodies members on Aboriginal health news, current and emerging issues, changes in government, policy reform etc.

An issue of this type raised through the consultation process was how ACCHOs are selected to participate in NACCHO round table events. Feedback suggested that this process is opaque, and leaves questions on the rationale for participation.

A second issue raised was the lack of a protocol between NACCHO and the state/territory affiliates for working with ACCHOs. Some state/territory peak bodies commented that they were unsure if NACCHO was working with their members on particular issues or not, and that lack of knowledge was ‘unhelpful’.

This feedback suggests that it would be beneficial for NACCHO and the state/territory peaks to agree on protocols for engagement between NACCHO and the ACCHOs. This could be part of developing agreements about how resources are developed and how they are implemented. Together with greater role clarity this should lead to greater coordination and collaboration so that Commonwealth investment is maximised for sector development.

5 Support to services in difficulty

Like the state/territory peaks, NACCHO does not appear to have a clearly articulated role in relation to providing assistance to support services in difficulty. This can be a particularly difficult area of service provision for the sector. Some state/territory peak bodies are very active in providing services, and some less so. This is a fraught area of service provision for the peaks as it can involve challenging interventions into a community controlled health service.

NACCHO has on occasions provided support to services in difficulty. Circumstances in which this has occurred are when the relevant state/territory peak body does not get involved in assisting the service in question - perhaps because the service does not wish their state/territory peak body to work with them, or if there are conflict of interest issues arising from family connections between the organisation in question and the
state/territory peak body. In these instances NACCHO can offer independence, whilst still having knowledge of the sector.

During consultations, the Commonwealth commented that on occasions they have received useful advice from NACCHO on how to address the issues that arise. However other feedback suggests that NACCHO does not have all the expertise to successfully intervene, depending on whether the nature of the difficulty is financial, governance or in relation to health service quality. There is likely to be a range of expertise required with a need for strong coordination of support.

The state/territory peak bodies take different approaches to this area. Some are highly active, and have developed procedures which guide their approach. Others have created a separate, but associated business entity to provide these services. Others appear to engage sometimes, and not at other times.

Under current ad hoc arrangements, the Commonwealth is often left to pick up the pieces. The sector would be better supported by a clear arrangement through which the peak bodies, including NACCHO, develop an agreed response to provide services to all services in difficulty. Development of such a model approach is an area where NACCHO could take leadership.

Strategies to deal with this issue are dealt with in the overarching report of this Review.
6 Contribution to strengthening the capacity of the health system to deliver quality, culturally appropriate care

Part two of Objective 1 of the Review is to understand how NACCHO and the state/territory peak bodies contribute to strengthening the capacity of the health system to provide quality, culturally appropriate care to Aboriginal and Torres Strait Islander clients.

Both NACCHO’s submission and feedback from external stakeholders indicate that NACCHO is very active in this arena, in line with its strategic directions. It is clear that NACCHO’s key role is in the creation and representation of policy advice to government and engaging with the mainstream health system.

6.1 NACCHO has built productive partnerships with national healthcare organisations

NACCHO has put a great deal of energy into projects with national bodies that are aimed at improving the quality of care provided to Aboriginal and Torres Strait Islander clients. Examples are the partnership between NACCHO and the Royal Australian College of General Practitioners (RACGP), which was solidified in a memorandum of understanding set to span from 2014-2017. Over the period of the review, NACCHO has worked with the RACGP to ensure that the College’s advice regarding clinical accreditation standards, and standards of clinical practice are mindful of the unique needs of Aboriginal and Torres Strait Islander clients.

The RACGP has also partnered with NACCHO throughout the development of the fourth and fifth editions of its high profile Standards for General Practices manual. This publication not only made for improved standards for general practitioners that now take into account considerations of cultural safety and appropriateness for Aboriginal and Torres Strait Islander Australians, but has also enabled individual ACCHOs to access information regarding these standards in a way that takes account of their unique modes of service delivery.

Another example is the Pharmacy Guild of Australia which has a productive relationship stretching over many years and gave this commentary in its submission to the Review:

"The QUMAX program was developed jointly by the Pharmacy Guild of Australia and NACCHO under the 4th Community Pharmacy Agreement in 2006-07. It commenced in non-remote Aboriginal Community Controlled Health Services (ACCHS) as a program of intensive QUM support, provision of dose-administration aids (DAA’s), transport support and co-payment relief in 2008 until 30 June 2010. The initial success of the co-payment relief with improved access to PBS medicines for Aboriginal and Torres Strait Islander people was recognised early and thereafter, the co-payment relief function was transferred to the Closing the Gap (CTG) Pharmaceutical Benefits Scheme (PBS) co-payment relief measure. The success of the QUMAX program can be attributed to the two way partnership between the Guild and NACCHO in supporting the health services on the ground to deliver a variety of services. Addressing the needs of the community has been a central focus to the services delivered under the QUMAX program."

NACCHO is operating in an increasingly complex environment. The creation of the Indigenous Affairs Group within the Department of Prime Minister and Cabinet has resulted in the need for a new set of relationships and representation. The Primary Health Networks (PHNs) is also an area in need of intensive work.

NACCHO has also made considerable efforts to interact with and influence the PHNs. A formal MOU has been put in place between NACCHO and the Australian Hospitals and Healthcare Association (AHHA) which has been acting as the informal peak organisation for the 31 PHNs across Australia. In addition, NACCHO invested considerable effort in preparing the ‘Guiding Principles’ document to influence the way the PHNs interact with...
Aboriginal and Torres Strait Islander people. NACCHO expressed considerable disappointment that the Commonwealth had not mandated the Guiding Principles for the PHNs to follow.

NACCHO has a key role in representing the sector and in improving the understanding and benefits of Aboriginal Community Control. In this regard a particular initiative in which the Commonwealth and NACCHO cooperated was the development of the Report Card on “Healthy Futures”, documenting the performance of the ACCHO Sector. NACCHO commissioned the Australian Institute of Health and Welfare to develop the analysis and publish the Report Card, with funding provided by the Commonwealth specifically for this purpose (NACCHO submission).

Feedback from the sector on NACCHO’s effectiveness in representing the health needs of Aboriginal and Torres Strait Islander people to the mainstream is positive. ACCHOs were asked how effective NACCHO is in representing the health needs of Aboriginal and Torres Strait Islander people to mainstream health organisations.

A total of twenty ACCHOs (or 43% of all respondents) answered the question. Of these, 65% reported NACCHO’s representation to the mainstream health sector is ‘very effective’ or ‘effective’, 25% noted it was ‘neither effective nor ineffective’ and the remaining 10% reported NACCHO was ‘ineffective’ in this regard (Figure 3).

These results can only be regarded as indicative because of the low proportion of respondents who answered the question.

6.2 NACCHO does not have capacity to meet all requests for participation

NACCHO’s submission indicates that they are currently involved in 39 groups/committees/advisory forums that are convened by mainstream health organisations and have requested representation so that they can include the needs of Indigenous clients in their deliberations. NACCHO’s objective in this involvement is:

> Our engagement with sister industry bodies enables engagement and understanding of barriers to access, specific cultural and health considerations of Aboriginal and Torres Strait Islander People and ensures that broader social policies that have an impact on their wellbeing are considered and their potential contributions to Close the Gap enhanced. 5

This is clearly a key part of a national peak bodies’ role. However the scale of the demand creates a considerable burden for the organisation. NACCHO comment that when they are unable to meet expectations, or refuse requests to participate in some of these processes, it is a result of lack of capacity, rather than organisational or structural disengagement.

Some stakeholders commented that they felt that there had been a diminution of capacity within NACCHO in recent years. They commented that periods of rapid staff turnover were likely to be both a product and a cause of this.

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5 ibid.
There are mixed views about which organisations should build mainstream partnerships at the local and jurisdictional level. There is a need to build constructive relationships between the community controlled sector and mainstream health service providers at every level of the health system. Such relationships allow advice and policy input that can influence strategies that are put into place to respond to Aboriginal and Torres Strait Islander clients across the whole healthcare system.

It is clear that NACCHO is energetic in pursuing opportunities at the national level. Some state/territory peak bodies stressed that at the local level this function is the job of the ACCHO, supported by state/territory peak bodies, rather than a NACCHO role:

“This is not the role of NACCHO—this is a role for the AMSs themselves within their region, however, affiliates should be resourced to provide assistance directly to the AMS.”

6.3 NACCHO has a distinctive national role

Feedback to the Review pointed to the changing landscape at the national level as the Commonwealth seeks to broaden its advisory mechanisms in light of renewed impetus towards improving Aboriginal health outcomes. As one state/territory peak body put it:

“The Close the Gap campaign has influenced the role and directions of NACCHO and this has impacted relations with stakeholders and Aboriginal health planning and monitoring arrangements, generally creating further fragmentation and uncertainty and confusion about who is responsible for what in the Aboriginal health sector. No doubt this has had an impact on NACCHO’s focus and priorities, redirecting and stretching its already limited resources, leading to an additional level of instability in program directions, staffing and ever increasing demands from several stakeholders.

Tensions over the roles of various bodies have arisen as a result of this lack of clarity. There are concerns that the National Health Leadership Forum and other bodies are trying to replace NACCHO. However there is a view among some state/territory affiliates that NACCHO needs to navigate its way to feeling confident in its own voice, and allowing space for others. One state/territory peak body commented as follows:

“There are also options to establish sub-committees/alliances with and support the work of or seek the advice of professional associations to inform policy going into the future. We believe that strategic partnerships with organisations like the Lowitja Institute would be powerful in building NACCHO’s research capacity to inform policy directions, and while the National Health Leadership Forum is in its formative stages, this group could also potentially make a significant contribution to the work of NACCHO as the national peak body on Aboriginal health.”

7 Collaboration with the Commonwealth

There was widespread agreement from all stakeholders that it is vital for NACCHO to maintain a collaborative relationship with the Commonwealth government. This will help to ensure that NACCHO is meeting the needs of the Commonwealth to the maximum extent possible, and working with the Commonwealth and other stakeholders to meet the Closing The Gap targets and deliver better Aboriginal health outcomes.

Feedback from the sector on NACCHO’s effectiveness in representing the sector to the Commonwealth is positive. ACCHOs were asked to rate NACCHO’s effectiveness in representing the community controlled health sector to the Commonwealth government. Of the 23 organisations who responded to the question, 73% reported NACCHO’s representation was ‘very effective’ or ‘effective’ and 17% reported that the support was ‘neither effective nor ineffective’. The remaining 8% of respondents reported that NACCHO representation of their organisation was either ‘ineffective’ or ‘very ineffective’ (Figure 4).
In particular, respondents highlighted NACCHO’s strength in representing their organisations to the Commonwealth with regard to lobbying; MBS section 19(2) exemptions and Primary Health Networks.

These results can only be regarded as indicative because of the low proportion of respondents who answered the question.

NACCHO devotes significant resources to providing advice to the Commonwealth government.

NACCHO’s submission comments that they actively engage with all seven Divisions of the Department of Health. They also develop submissions for various Senate Committees and specific enquiries. This absorbs a great deal of time and resources. They comment that their funding is all derived from Indigenous Health Division, and does not acknowledge their involvement across other Divisions.

Managing this broad involvement within resources is a significant challenge. It also poses challenges around prioritisation for NACCHO as there appears to be no coordination of requests from within the Department and no mechanisms by which the Department prioritises its needs. NACCHO has advised that this issue is under active consideration between NACCHO and the Department.

NACCHO’s capacity to play this role depends to a large extent on the capability of its staff and the networks of expertise it can draw on to bring influence to bear on Commonwealth policy. The question arises as to how NACCHO sources the expertise and advice that it provides to government. Some stakeholders commented that NACCHO doesn’t currently have the expertise needed to provide high quality advice across the breadth of topics needed. The joint submission from NACCHO and the state/territory peak bodies to this Review acknowledges this and states:

‘It is vital that Aboriginal health policy proposals are informed by on the ground experience in delivering services and programs in Aboriginal communities. Good policy proposals cannot be written in a vacuum they need to be informed by communities and ACCHS able to converse and consider policy options through the peak bodies."

The submission envisages that

‘This dialogue needs to be facilitated and led by our peak bodies…’

Submissions from state/territory peak bodies also support the process of expertise being sourced via state/territory peak bodies, and provide many examples of instances where the state/territory peaks have contributed expertise in the development of responses to particular issues, including the documentation of core functions in primary health care, and proposed federal changes to the Australian General Practice Training. The following example demonstrates how this collaboration appears to have worked well:

In 2011 AMSANT led the development of the third edition of the core functions of Primary health care policy document which identified key gap areas in early childhood, mental health including alcohol and other drugs, family support and aged and disability services. Following on from this work in the NT, AMSANT is working through NACCHO towards securing agreement on the core functions of primary health care at the national level.
7.1 Multiple lines of communication present problems for the Commonwealth and the sector as a whole

Feedback from the Commonwealth and NACCHO suggested that it would be beneficial if NACCHO acted as the sole source of advice to the Commonwealth on national issues (ie not including issues of a state or territory nature). Multiple representations from state/territory peaks can be confusing and can also dissipate the strength of influence. This would require agreement from all the peak bodies as well as the Commonwealth that advice on national matters is provided via NACCHO.

NACCHO can source this advice from within house, and/or from across the sector. As one state/territory peak put it, the role of NACCHO is to provide ‘informed and united leadership’. The Commonwealth perspective on obtaining useful advice is that they currently approach state/territory peak bodies directly because they are looking for evidence based pragmatic advice. But when the Commonwealth by-passes NACCHO it is in effect contributing to a weakening of NACCHO’s role as the national voice of the sector. If NACCHO is to be an effective and influential national voice for the sector, there needs to be an agreement by the Commonwealth and all the peaks about the channelling of national advice. This places a requirement on NACCHO to ensure it has effective channels in place to present a national picture and to reflect any variations where these are significant.

There were also calls from some state/territory peak bodies that NACCHO needs to consider broadening the scope of its representation from being narrowly focused on health, and to include aged care, disability and the early years. Several of the state/territory peak bodies are already active in these spaces in their jurisdictions, and see the need for parallel activity on the national stage. This would mean that NACCHO would be more than a national health peak and would need to be funded appropriately from other Departments including Education and Social services.

Finally there was comment from some state/territory peaks that NACCHO needs to re-consider its style of engagement with government:

'We need to foster a new style of engagement that is less combative.'

8 Functioning of the national network

Objective 3 of the Review focuses on how NACCHO and the state/territory peak bodies function as a national network. This section of the report presents feedback from NACCHO and the state/territory peak bodies on this issue. This issue is discussed more fully in the overarching report.

There is no formal structural relationship between NACCHO and the state/territory peak bodies. They are all independent organisations with separate legal identities. None has any formal control over any other body in the network. Their commonality is a shared membership base and field of operation. As noted earlier, comments made in surveys and submissions indicate widespread confusion over the roles and differentiation between NACCHO and the state/territory peak bodies. The Review considers that a common understanding of NACCHO’s role and a funding agreement from the Commonwealth that reflects this would help the sector to clarify its roles internally. Consistency will be critically important.

It is clear to the Review that this set of relationships is crucial to the reach and quality of the community controlled sector. The jurisdictional bodies have access to relationships and on-the-ground knowledge through their frequent contact with ACCHOs. They have also developed valuable in-house expertise that can be tapped to create sound policy advice. NACCHO is in an excellent position to have influence through its positioning as the national body. Together the organisations are well designed to create or source evidence, identify and disseminate high quality materials to respond to particular health issues, and provide high quality and influential policy advice to government and the mainstream.
8.1 There is room to improve collaboration and governance

To maximise their effectiveness the peaks must collaborate more effectively. NACCHO comments that it has a long history of collaboration with the state/territory peak bodies and together they have engaged in many joint projects to advance the sector. NACCHO also reports that the Board has ‘endorsed a project to out-source national projects, within the parameters of expertise within the State and Territory Peak Bodies, to ensure an effective and stronger working relationship between all our peak organisations.’ It is not clear when this decision was made, and therefore when it might be expected to have an impact.

However there was some feedback that the current level of collaboration is not ideal, and that this has resulted in a poorer quality of advice and representation:

‘We understand that NACCHO has undergone significant changes in recent times which may account for the drop off in NACCHO coordinating and/or leading networking and collaborative activities. Nevertheless, we have seen less than ideal leadership and levels of engagement by NACCHO with us on these issues. In the past, effective collaboration has produced highly successful outcomes for NACCHO, the peak bodies and member organisations and this of course has had a direct impact in service delivery outcomes for Aboriginal people and communities.’

Another comment in a submission from a state/territory peak body acknowledged specific areas in which they believe that NACCHO needs to lift its capacity to collaborate with the state/territory peak bodies:

‘We do believe there are shortcomings in NACCHO’s current strategic and operational performance but also firmly believe that with support there are opportunities for improvement in several areas including:

- Ensuring all jurisdictional views are included in formulating national advocacy efforts
- Supporting and coordinating national networks and activities e.g. data, accreditation, policy, workforce, policy formulation e.g. mental health, suicide prevention
- Providing leadership and exercising self-determination and community control in responding to member priorities’

Submissions from some state/territory peak bodies suggest that NACCHO’s implementation of changes in rules over who has a right to attend Board meetings has created tension. The change was to remove the right of the CEOs of state/territory peak bodies to attend NACCHO Board meetings. The CEOs felt this was weakening the effectiveness of the Board while NACCHO was concerned about the financial commitment involved in the travel expenses for observers. One submission to the Review commented as follows:

‘The recent changes to NACCHO’s constitution which resulted in changed governance arrangements, effectively removing the CEOs of the state and territory peak bodies from the Board is seen as detrimental to NACCHO’s capacity to work effectively with us. It has significantly weakened its strategic capacity. The CEOs were able to bring to the table a wealth of information and knowledge about all of their members as well as State/Territory and Commonwealth policy and planning activities impacting the ACCHOs and Aboriginal health generally.’

Stakeholders identified particular impacts of these changes:

Recent staffing changes and restructuring of NACCHO has significantly impacted the role NACCHO has been able to play in supporting, coordinating and leading national networks including in the areas of policy and advocacy, data, CQI and accreditation. These networks were, until recently, very strong and producing good outcomes. The jurisdictional peaks need to be working in collaboration with NACCHO but currently, by necessity are working independently of NACCHO, though still working effectively with each other.

Submissions also reflected disquiet about the process through which members can raise issues for NACCHO to consider. There was some feedback that the process was driven more by personality and personal connections, than by a consideration of the issue at hand. There was also a suggestion that the issues considered are those identified by NACCHO staff and secretariat, rather than by members:
‘NACCHO seems to fail to identify important issues that arise. It seems that at times if the secretariat does not have a problem with a particular issue they fail to raise it – it is not for the secretariat to make these decisions – it is for the member services to do so.’

The effective functioning of the national network of peaks relies on collaboration and clarity of roles, both of which could be enhanced by a change to current governance arrangements. This issue is discussed more fully in the overarching report of this Review.
9 Commonwealth funding

As outlined earlier, NACCHO has adopted three strategic directions, in line with its constitution. These are:

1. Shape the national reform of Aboriginal health,
2. Promote and support high performance and best practice models of culturally appropriate and comprehensive primary health care; and
3. Promote research that will build evidence informed best practice in Aboriginal health policy and service delivery.

While these strategic directions shape the work that NACCHO undertakes, they do not coincide with the stated purposes of Commonwealth investment in NACCHO, as set out in the Commonwealth’s funding agreement with NACCHO. The performance indicators for ‘NACCHO and the affiliates’ reproduced in Appendix A, relate to quite a different set of activities, many of which are more appropriately the domain of the state/territory peaks. More clarity about the purpose of Commonwealth investment in NACCHO (as distinct from the state/territory peaks) would help to align NACCHO’s role with the needs of the Commonwealth and the rest of the sector. This issue is discussed further in the overarching report.

A reflection of this lack of clarity is that NACCHO has not provided all of the member support services referred to in its activity plan. Given that many of these activities duplicate the activities the state/territory peaks are funded for, this would seem to be primarily an issue of clarification.

The current funding agreement between the Commonwealth Department of Health and NACCHO specifies only base funding for NACCHO and NACCHO-run CQI initiatives consistent with activities under the Indigenous Australians’ Health Programme. Retained funds from the 2014-2015 financial year were taken into account when allocating capital for the 2015-2016 and 2016-2017 financial years, ultimately leading to a reduction of $2,170,717.75 in Commonwealth funds over the same interval.

In the 2011-2012 financial year (the most recent period in which disaggregated data is available), 96.7% of NACCHO’s funding came from Commonwealth grants, with a further 2.2% gained from earnings on interest. As NACCHO does not draw regular income from members, and affiliates are not required to pay fees of any sort, the organisation relies much more heavily on Commonwealth funding than the state/territory peaks, who received an average of 49.3% of their total funds from the Commonwealth over the same period. Total Commonwealth funding to NACCHO rose by 24% between the 2010/11 and 2014/15 financial years. In the same period, the average Commonwealth funding increase to NACCHO affiliates was 47%.

Figure 3: Total Commonwealth funding to NACCHO (S, millions)
10 Summary of key findings

• NACCHO’s member support initiatives have worked to strengthen the ACCHO sector
• Clarifying the remit of NACCHO’s roles and responsibilities and protocols for engagement with members would help improve impact
• There is good evidence that sector capability is improved when collaborative processes with the state/territory peaks are in play
• Members value the information and communication role that NACCHO plays
• The challenging work of assisting services in difficulty could be improved by a clearer model with a defined role for NACCHO
• NACCHO plays an active and valued role in representing the sector, developing partnerships at the national level and in developing and presenting policy advice to influence the health system
• Resourcing limitations mean that NACCHO is regularly stretched too thinly and there is a need for the Commonwealth and NACCHO to prioritise the multiple demands
• In the increasingly complex landscape, NACCHO has a distinctive voice that needs to be heard
• Opportunities exist to strengthen NACCHO’s relationship with the Commonwealth – particularly via the standardisation of communication procedures
• There is room for NACCHO to lead improved collaboration and governance across the peak bodies
• NACCHO is more dependent on Commonwealth funding than any other peak body in the national ACCHO network and has received smaller increases in funding than the peaks over the years 2010-11 to 2014-15.
Appendix A: Performance measures for NACCHO and Affiliate project funding

Improving system-wide clinical and public health initiatives and business systems

- **Indicator 1**, Support to member organisations to make better use of data to improve service planning and delivery
- **Indicator 2**, Support to ACCHS to achieve/maintain accreditation
- **Indicator 3**, Support to ACCHS to implement CQI activities

Improving member organisations’ capacity and capability

- **Indicator 4**, Leadership and support provided to members to strengthen governance
- **Indicator 5**, Leadership and support provided to members to strengthen clinical governance
- **Indicator 6**, Members supported to improve and maintain information systems

Engagement with government and other key stakeholders

- **Indicator 7**, Engagement with government and other key stakeholders on policy and programme priorities – contribution of expertise and advice

Building a skilled and sustainable workforce (including education and training)

- **Indicator 8**, Contribution to national workforce strategy specific for ACCHS workforce.