





GPO Box 12 Sydney NSW 2001

The Legislative Assembly Parliament House Sydney NSW 2000 The Legislative Council Parliament House Sydney NSW 2000

In accordance with section 38E of the *Public Finance and Audit Act 1983*, I present a report titled Two Ways Together – NSW Aboriginal Affairs Plan: Aboriginal Affairs NSW, and Department of Premier and Cabinet.

Pote Auterstrant

Peter Achterstraat Auditor-General May 2011

The role of the Auditor-General

The roles and responsibilities of the Auditor-General, and hence the Audit Office, are set out in the *Public Finance and Audit Act 1983*.

Our major responsibility is to conduct financial or 'attest' audits of State public sector agencies' financial statements. We also audit the Total State Sector Accounts, a consolidation of all agencies' accounts.

Financial audits are designed to add credibility to financial statements, enhancing their value to end-users. Also, the existence of such audits provides a constant stimulus to agencies to ensure sound financial management.

Following a financial audit the Office issues a variety of reports to agencies and reports periodically to Parliament. In combination these reports give opinions on the truth and fairness of financial statements, and comment on agency compliance with certain laws, regulations and Government directives. They may comment on financial prudence, probity and waste, and recommend operational improvements.

We also conduct performance audits. These examine whether an agency is carrying out its activities effectively and doing so economically and efficiently and in compliance with relevant laws. Audits may cover all or parts of an agency's operations, or consider particular issues across a number of agencies.

Performance audits are reported separately, with all other audits included in one of the regular volumes of the Auditor-General's Reports to Parliament — Financial Audits.

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NSW Auditor-General's Report

Two Ways Together
NSW Aboriginal Affairs Plan

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Background

In 2003, in recognition of the greater disadvantage experienced by Aboriginal people when compared to the wider community, the NSW Government decided to change the way it did business with, and delivered services to, Aboriginal people.

So it developed the Two Ways Together – Partnerships: A new way of doing business with Aboriginal people, NSW Aboriginal Affairs Plan 2003-12.

The overall objectives of the Plan were to:

- develop committed partnerships between Aboriginal people and the NSW Government
- improve the social, economic, cultural and emotional wellbeing of Aboriginal people in NSW.

To achieve these changes, the NSW Government aimed to:

- change the way it worked with Aboriginal people
- enhance the skills and capacity of Aboriginal communities and individuals
- achieve real and measurable improvements for Aboriginal people in the seven priority areas
 of health, education, economic development, justice, families and young people, culture and
 heritage, and housing and infrastructure
- support and affirm Aboriginal peoples' culture and heritage.

Eight years on from its introduction, this audit considers how well the Plan has worked to improve outcomes for Aboriginal people in NSW.

Conclusion

To date the Two Ways Together Plan (the Plan) has not delivered the improvement in overall outcomes for Aboriginal people that was intended. Stronger partnerships between the government and Aboriginal people are only beginning to emerge.

The disadvantage still experienced by some of the estimated 160,000 Aboriginal people in NSW is substantial. For example, the unemployment rate for Aboriginal people is at least three times higher than the rate for all NSW residents and hospital admissions for diabetes are also around three times higher.

The Plan has raised public awareness of the need to address Aboriginal disadvantage. It has also provided an opportunity for government agencies to work together at a regional level to deliver funded services better.

Some positive trends are developing, such as the increase in TAFE enrolments. The next steps are critical to delivering on the promises made when the Plan started.

Firstly, agencies need to be more publicly accountable. The Department of Premier and Cabinet tell us that a substantial level of effort is undertaken at a state level with initiatives being pursued through the NSW State Plan and various National Partnerships with the Commonwealth. Nevertheless, it remains the case that if agencies are given money they must be able to show at the end of the year how they spent it and how it has improved the wellbeing of Aboriginal people.

Secondly, there needs to be clear recognition that the local community is best placed to understand its own needs and be responsible for its own future. In this respect, the Two Ways Together Partnership Community Program is a promising development. The community governance bodies established under this program can bridge the gap between people who need services and those who deliver the services.

This Program gives the Aboriginal people in a geographic area a strong voice in planning and designing how their needs and aspirations are met. At the time of this audit these arrangements were in 16 communities and another 24 were planned. Even though they are still building their capacity, achievements are encouraging.

A foundation has been established. Now it is time to deliver on the promises.

Supporting findings

In assessing the performance of the Plan we examined whether:

- indicators were set and targets and measures established and achieved
- implementation was effective in terms of whether:
 - a state-wide coordinated approach was established and followed
 - a local coordinated approach was established and followed.

Was the initial state implementation effective?

The Plan provided the opportunity for the NSW Government to introduce a multi-agency focus of effort. It also aimed, where appropriate, to include the Commonwealth Government and Aboriginal peak bodies in helping to address disadvantage. The significant achievement made by the Plan at a state level was to elevate the issue of Aboriginal disadvantage within the NSW Government and agencies.

While it was expected that addressing entrenched problems would involve slow progress, we found that the implementation of the Plan within agencies, across agencies and with Aboriginal communities has not been effective in many areas in narrowing the gap between outcomes for Aboriginal people and the wider community.

Although the Plan aimed to ensure agencies were held accountable for results and for achieving specific outcomes for Aboriginal people, weaknesses in its initial framework meant that accountability was unclear.

Was the subsequent regional implementation effective?

The commitment of the government to work in partnership with Aboriginal people has been a strong theme throughout the Plan. But the government through its agencies has had difficulty translating this concept into reality at a regional level.

Regional structures, plans and goals were created for the Plan but within a few years, it was clear that they were not working as effectively as intended.

Agencies have struggled to establish, in a practical sense, just who are the Aboriginal people they should be partnering with. This has resulted in poor levels of engagement and accountability between agencies and Aboriginal people locally.

Were indicators established, and targets and measures set and achieved?

A lot of time and effort has been invested into developing performance measures for the Plan. We found about 250 targets, indicators and measures were set at various times at both a regional and state level.

Over the course of the Plan, changes in these performance measures and the complexity of the governance and reporting processes that supported them has made long term evaluation more difficult. It has contributed to a lack of accountability for results against changing targets. Agencies have not been held accountable for achieving them.

The indicators used to report on the performance of the Plan in the biennial Report on Indicators show limited achievement in improving the lives of Aboriginal people.

Was local implementation effective?

We found the Two Ways Together Partnership Community Program which commenced in 2009, to be the first focused attempt to develop a local community engagement process. This Program has the capacity to enhance engagement and improve the coordination of government efforts at a local level. It can also build the skills within Aboriginal communities to negotiate with government.

Our discussions with community governance body members identified that establishing and supporting governance bodies is the means by which government can help give Aboriginal people a strong voice in planning and designing how their needs and aspirations are met. Achievements are encouraging even though implementation at the local level is still at an early stage.

NSW Auditor-General's Report <u>Two Ways Together -</u> NSW Aboriginal Affairs Plan

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Recommendations

Department of Premier and Cabinet

We recommend that that the Department of Premier and Cabinet in consultation with Aboriginal Affairs NSW:

- 1. by January 2012, consider the appointment of an Independent Advisor or Advisors as a champion for Aboriginal people in NSW to be a strong and independent voice on issues that are fundamental to improving the lives of Aboriginal people (page 19).
- 2. by June 2012, improve government agency accountability by:
 - appointing an independent auditor to undertake an annual program of reviews of government programs and services to Aboriginal people against specific outcomes, accountabilities and timelines. Audit reports to be provided to the relevant Minister and made publicly available (page 19).
 - using information obtained through the independent audit process to form an evidence base to determine which programs and services are making a difference and why (page 19).
- 3. by June 2012, requiring every government agency funded to deliver programs and services to Aboriginal people to include in their annual report a breakdown of Aboriginal specific funds received, how they were spent and outcomes achieved (page 19).
- 4. by July 2011, ensure the compliance of NSW Government agency heads with the reporting requirements on Aboriginal targets as part of their performance agreement and develop a plan to regularly review compliance and results (page 19).
- 5. by January 2012, require all NSW Government agency heads and regional managers to undertake Aboriginal cultural competency training and support local Aboriginal community groups to provide an element in that training about the local Aboriginal environment (page 19).

Aboriginal Affairs NSW

We recommend that under the Two Ways Together Partnership Community Program, Aboriginal Affairs NSW:

- 6. continue to support existing and developing community governance bodies and by January 2012 (page 24).
 - provide ongoing training to the community governance bodies in order to give them the tools and practical skills needed to work with agencies, such as leadership skills, financial literacy and negotiation skills (page 24).
 - develop a cadetship program for each community governance body. Under this program a scholarship and permanent employment position be developed with the successful candidate to study an appropriate management course and work with and support the community governance body (page 24).

We recommend that Aboriginal Affairs NSW:

- 7. by January 2012, develop a process to monitor government agency compliance with the requirement to work with the community governance bodies in developing and delivering programs and services including an annual report on achievement against each community governance body's priorities (page 24).
- 8. by January 2012, identify within existing resources, project staff to act as solution brokers to assist those communities not a part of the Partnership Community Program until the Program is rolled out across NSW (page 24).
- 9. by January 2012, review and streamline the indicators within the biennial Report on Indicators. This should be done with reference to:
 - what reporting is required in the interest of key stakeholders (the Aboriginal people of NSW and the wider NSW population) (page 24).
 - ensuring NSW is reporting on key activities and achievements towards overcoming disadvantage (page 24).
 - strengthening the voice of local Aboriginal people within reporting (page 24).

Response from the Department of Education and Communities

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Mr Peter Achterstraat Auditor-General Audit Office of NSW GPO BOX 12 SYDNEY NSW 2001 DGL11/555

Dear Mr Achterstraat

Please find attached the agency response from the Department of Education and Communities (Aboriginal Affairs NSW) to the performance audit of *Two Ways Together – NSW Aboriginal Affairs Plan*.

Yours sincerely

Pam Christie

A/DIRECTOR-GENERAL OF EDUCATION AND COMMUNITIES A/MANAGING DIRECTOR OF TAFE NSW

10 May 2011

EXECUTIVE SUMMARY

Aboriginal Affairs NSW Response

Aboriginal Affairs NSW welcomes the opportunity to respond to the Performance Audit of *Two Ways Together*, the plan which has guided Aboriginal affairs in NSW over the past eight years.

It must be noted, however, that there have been significant changes in the policy environment since the plan was developed. There is now a greater recognition by all levels of government of the need to measure the outcomes of Aboriginal affairs programs and build a strong evidence base to inform decisions which will drive results and bring about real change. The Council of Australian Government's commitment to 'Close the Gap' in Aboriginal disadvantage has also galvanised unprecedented activity towards working with Aboriginal communities.

This report and its recommendations provide a valuable analysis of the limited successes and substantial shortfalls of *Two Ways Together*, as well as a suggested approach for a new way forward.

For example, the report highlights the essential need for working on the ground with Aboriginal communities in a coordinated way if we are to improve wellbeing in areas as fundamental as health, education and employment. The Partnership Community Program will continue to be a key mechanism to achieve this, and has been regarded by the Auditor General as reflecting a genuine commitment to working with Aboriginal people at the local level. However, it must be noted that there are still ongoing challenges regarding the roll-out of the program which must receive further attention.

To date, 21 out of the 40 Partnership Communities have *recognised* community engagement bodies and most of the remaining Partnership Communities are expected to be *recognised* by the end of June 2011.

Aboriginal Affairs NSW will continue to work with communities and other key stakeholders - including the Australian Government and local governments - to identify and pursue sustainable opportunities that strengthen the effectiveness, responsiveness and transparency of the program. The report identifies worthwhile options that will be considered as part of that process. In keeping with the focus of the report, such options will need to be implemented in partnership with Aboriginal communities.

We also note that the enhancements proposed relating to the Partnership Community Program, as well as the community brokerage recommendation, are expected to be cost neutral. Aboriginal Affairs NSW will consider these recommendations within the context of current agency commitments.

While the Partnership Community Program is a significant mechanism by which Aboriginal Affairs NSW works with Aboriginal communities, the agency has a broader regional network which continues to work with all Aboriginal communities and stakeholders across the State.

Aboriginal Affairs NSW remains committed to both accountability and transparency. The biennial *Two Ways Together* Report has facilitated greater awareness of the extent of disadvantage; however, it is clear that it has not driven the necessary rigour in program evaluation to inform evidence based decision making and planning for future improvements.

We are in a position to take Aboriginal affairs in NSW forward with a revitalised commitment to working with communities via local decision-making and implementing approaches that will see real and sustained improvements in Aboriginal wellbeing. This report's recommendations provide cornerstones in developing a plan to make this happen.

Aboriginal Affairs NSW will undertake a more detailed analysis of each of the Report's recommendations and provide the Minister with advice on opportunities to implement the Auditor General's recommendations as soon as possible.

EXECUTIVE SUMMARY

Response from Department of Premier and Cabinet



1 0 MAY 2011

Mr Peter Achterstraat Auditor General GPO Box 12 SYDNEY NSW 2001

p Dear Mr Achterstraat

Thank you for the opportunity to respond to the performance audit conducted on the *Two Ways Together – NSW Aboriginal Affairs Plan*.

The audit and its findings raise significant concerns about the effectiveness of Two Ways Together in addressing the issues facing many Aboriginal people and communities in NSW.

The NSW Government intends to improve accountability and transparency in Aboriginal Affairs. The Auditor General's recommendations to assess the effectiveness of Government programs, services and agency head performance against clearly defined indicators are welcomed.

A strong evidence base would enable each agency to effectively assess which programs should be continued or whether government efforts should be redirected, and the Department of Premier and Cabinet together with agencies will consider these recommendations more fully.

The Auditor-General's recommendation that the Government consider appointing an independent adviser or a group of advisers on Aboriginal issues will be seriously considered.

The NSW Government intends to approach Aboriginal Affairs on the basis that Aboriginal people deserve opportunities to: shape their own future; make more local decisions; be full participants in the economic prosperity of this State; and feel safe and secure in their communities, neighbourhoods and homes.

In the coming months, the Government plans to talk openly and honestly with Aboriginal people about the challenges that we jointly face and how we can best create opportunities for Aboriginal people to shape their own lives and make meaningful choices.

Yours sincerely

Director General

Introduction

1. Background - Two Ways Together

Many Aboriginal people are disadvantaged in comparison with the rest of the population on a wide range of measures in health, education, employment and justice. When the Two Ways Together Plan was developed in 2003 this disadvantage was clear.

Exhibit 1: Some indicators of Aboriginal disadvantage when the Two Ways Together Plan was developed in 2003

Areas for action	Indicators
Health	In 1998 – 2001, the life expectancy of Aboriginal people was estimated to be about 20 years less than the general population
	In 1999-2001, the infant mortality for Aboriginal infants was more than twice as high as for non-Aboriginal infants
Education	In 2001, there was a gap of over 20 percentage points between the performance of Aboriginal students and other students in literacy and numeracy for Years 3, 5 and 7
	Since 1998 there had been a decline of nine percentage points in Aboriginal students meeting the requirements for Year 12 certificate compared with a three per cent decline for all students
Economic development	In 2001, the rate of Aboriginal unemployment in NSW was more than four times higher than that of the total population
	As of 2003, the total lands either owned or controlled by Aboriginal communities was 0.45 per cent of NSW
Family and young people	In 2002 the victimisation rate for domestic violence for Aboriginal young people was more than three times that of all young people
	In 2001-02, there was a consistent over representation of Aboriginal children in the child protection system. The rate of substantiated reports of abuse and neglect was nearly four times higher than that for all persons aged 0-17
Justice	In 2003, Aboriginal males were nearly 10 times more likely to be serving a sentence of imprisonment than the average NSW male. Aboriginal females were about 14 times more likely to be serving a sentence of imprisonment than the average NSW female
	In 2002, the rate of domestic violence related assault of Aboriginal women was six times the state average
	In 2003, 44 per cent of boys in juvenile detention were Aboriginal
Housing and infrastructure	In 2001, Aboriginal families were more than twice as likely to be living in overcrowded dwellings as families across the total NSW population.
	In 2001 Aboriginal people were less likely than the overall population to use information technology either at home or in other locations
Culture and heritage	By 2003, there had been one native title determination in NSW

Source: Two Ways Together: Report on Indicators 2005

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INTRODUCTION

INTRODUCTION

In the past decade, governments across Australia have said they want to address the disadvantage that limits the opportunities and choices of many Aboriginal people. In NSW in 2001, the then Premier said that his government would change the way it worked with Aboriginal people to positively improve their lives through a new ten year partnership strategy.

He stressed:

"Too often governments have imposed solutions on Aboriginal communities and then wondered why they have failed. Partnership implies a new way. In most cases Aboriginal people know the answers to their problems and want government to work in partnership to solve them".

Aboriginal people best understand the needs of their community

The NSW Government called this new strategy 'Two Ways Together, the 2003-2012 NSW Aboriginal Affairs Plan' (the Plan). The Plan was a new way forward for Aboriginal people and government to work through partnership. The Plan was a unique approach and was to:

- set targets to reduce Aboriginal disadvantage over a ten year period
- facilitate a whole-of-government approach to the delivery of services to Aboriginal people
- establish the primary framework for the delivery of services to Aboriginal people in NSW
- provide a framework for the development of other plans concerning Aboriginal matters as agreed by the Chief Executive Officers Group on Aboriginal Affairs.

When the Plan commenced there were approximately 136,000 Aboriginal people in NSW. This was the highest number of Aboriginal people of any Australian state or territory. Then as now, the majority of Aboriginal people live in major cities and inner regional areas. Between 2001 and 2006 almost three-quarters of the population growth in some regional centres was due to an expansion of the Aboriginal population.

Aboriginal communities, as do all communities, differ from one to another regarding their history, needs and priorities. The notion of 'community' should not be understood as indicating a uniformity of interest and need any more than it does for any other target 'community'.

In developing the Plan, the NSW Government recognized that Aboriginal people best understood the needs of their 'community'. Two Ways Together was to establish ways to make sure that Aboriginal people had a strong voice in planning and deciding how their needs and aspirations were met. The NSW Government would negotiate with Aboriginal people on how government services would be delivered at local and regional levels.

Through feedback from the Aboriginal people and organisations across NSW, seven priority areas to improve the lives of Aboriginal people were identified. They were health, education, economic development, justice, families and young people, culture and heritage, and housing and infrastructure. Refer to Appendix 1 for actions under the Plan to improve the seven priority areas.

It was recognized that these seven priority areas were interrelated and could not be addressed in isolation. For example, health problems impact on educational outcomes, which influence economic development opportunities and a person's interaction with the justice system. So if results are not achieved in one priority area, then results in other areas would be adversely affected.

Exhibit 2: Painting by John Hilton Green representing Wiradjuri culture and heritage



This is a painting on canvas, by John Hilton Green, Wiradjuri Wagaji – Wiradjuri Dance: "This is my peoples' story of hunting, the land and the many mobs that make up the Wiradjuri as a people. We are the largest mob in New South Wales and come from the Cowra and Bathurst area in the central west of the State.

"This painting shows us as a people (centrepiece) and the offshoot tribes forking out from the centre. I have put in representations of our water holes, meeting places, trails (both animal and tribal) and two of our greatest meat providers – kangaroo and emu (Wambuuwayn and Nguurruuyn). This painting is very symbolic and colourful. It is full of our ochres (traditional) and vibrant blues and red.

"My pride is my Wiradjuri culture and heritage. "Thank you for sharing a small piece of my culture and my pride there-in." Source: Reproduced with permission from Aboriginal Affairs NSW

The Plan was released in 2004. Lead agencies were appointed to each of the seven priority areas. The Department of Aboriginal Affairs was to coordinate input from Aboriginal communities and peak bodies. A package of initiatives with funding of about \$40 million over four years was jointly developed by Aboriginal Affairs NSW and the then Cabinet Office, in consultation with other agencies. The package targeted areas of highest priority and was aimed at delivering concrete, practical and on the ground services to Aboriginal people.

Exhibit 3: The Two Ways Together Plan five highest priority areas

The highest priority areas were:

- reduce incarceration and family violence
- improve Year 3 and 5 literacy and numeracy and school retention rates
- reduce conductive hearing loss (caused by blockage or damage in the outer and/or middle ear)
- increase Aboriginal employment
- improve living conditions.

Source: Aboriginal Affairs NSW

A key underlying philosophy of the Plan was the need to use existing resources more effectively rather than invest new money.

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Key findings

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KEY FINDINGS

Implementation of the Plan has not been effective in many areas

2. Two Ways Together at the state and regional level

2.1 Was the initial state implementation effective?

Conclusion

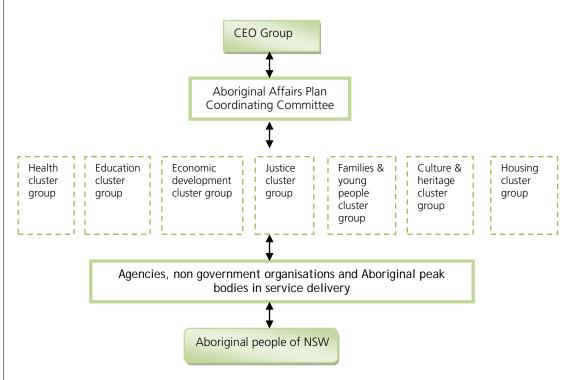
The Two Ways Together Plan provided the opportunity for the NSW Government to introduce a multi-agency focus of effort. It also aimed, where appropriate, to include the Commonwealth Government and Aboriginal peak bodies in helping to better address disadvantage. The significant achievement made by the Plan at a state level was to elevate the issue of Aboriginal disadvantage within the NSW Government and agencies.

While it was expected that addressing entrenched problems would involve slow progress, we found that the implementation of the Plan within agencies, across agencies and with Aboriginal communities has not been effective in many areas in narrowing the gap between outcomes for Aboriginal people and the wider community.

Although the Plan aimed to ensure agencies were held accountable for results and for achieving specific outcomes for Aboriginal people, weaknesses in its initial framework meant that accountability was unclear.

In order for agencies to work together and in partnership with Aboriginal people, a framework for the Plan was developed in 2004. This framework was built around seven cluster groups.

Exhibit 4: Initial Two Ways Together Plan framework



Source: Aboriginal Affairs NSW and Audit Office research

Each cluster group developed an action plan and performance indicators to measure the success of actions implemented by agencies under the Plan.

All NSW Government Chief Executive Officers' contracts were rewritten to include a number of performance targets related to the Plan. Together these management tools served to elevate and publicise the issue of Aboriginal disadvantage and provide a framework designed to make Chief Executive Officers accountable for addressing it.

NSW Auditor-General's Report

<u>Two Ways Together -</u> NSW Aboriginal Affairs Plan KEY FINDINGS

Community members felt that the Plan had no real connection to Aboriginal people at the local level

A 2005 review by the CEO Group on Aboriginal Affairs found that some cluster groups were reported as not working effectively because:

- senior agency officers were not attending meetings; and those that attended in their place did not have the authority to make decisions
- too many meetings were a strain on agencies and Aboriginal peak bodies
- cluster action plans lacked a focus on achievement including targets and timeframes
- there was lack of collaboration between agencies and little effective monitoring and reporting.

The review also found that Aboriginal peak bodies were concerned about how the Plan was being implemented. Their concerns included:

- lack of connection to the Aboriginal community
- the effectiveness of the cluster process to address peak body issues
- lack of information on how the Plan was to interact with existing service delivery agreements
- the need to work strategically across sectors to achieve change
- the need for outcomes to be Aboriginal community outcomes and not government agency outcomes.

Following on from the review, later in 2005, a Two Ways Together Premier's Forum identified that while a framework for the Plan was in place at a state level; it was yet to drive regional and local planning. Strong commitment from most Chief Executive Officers and senior officers had not succeeded in embedding the Plan throughout their agencies.

We spoke to Aboriginal community members in several communities who had been involved in the introduction of the Plan. They described the Plan as a 'good idea'. They said it held out the promise that the NSW Government was going to genuinely engage in working with communities to bring about improvements.

They described their disappointment when change did not happen. These community members attributed the Plan's initial problem in delivering improvements to its disconnection with the community. They described it as a 'Sydney' plan, a government plan developed in Sydney with no real connection to Aboriginal people or agencies at the local level.

In November 2005 the initial biennial public report on the performance of the Plan was released. It was called the Two Ways Together Report on Indicators 2005 (Report on Indicators). This first report included about 40 indicators that were divided into the seven priority/cluster group areas. While this report showed some trends, in most respects it was a baseline report that demonstrated the ongoing disadvantage experienced by Aboriginal people.

The Plan's initial framework provided an opportunity to form a holistic approach to policy development and service delivery by bringing government agencies together. While the initial state-wide framework was a step towards facilitating a whole-of-government approach, there were shortcomings including:

- the lack of agency focus on identifying Aboriginal community needs and expectations
- agencies not communicating effectively with communities
- agencies setting unrealistic timeframes for consultation.

KEY FINDINGS

Regional structures did not work as effectively as intended

2.2 Was the subsequent regional implementation effective?

Conclusion

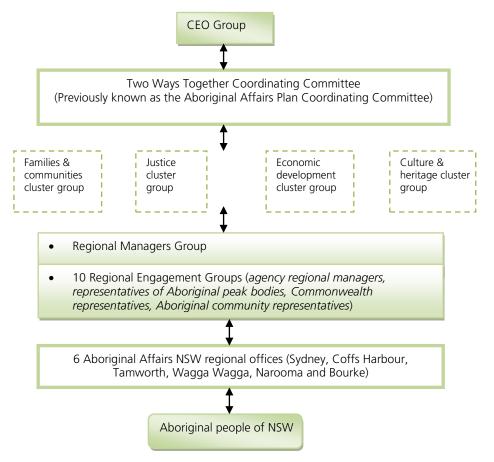
The commitment of the NSW Government to work in partnership with Aboriginal people has been a strong theme throughout the Plan. But the government through its agencies has had difficulty translating this concept into reality at a regional level.

Regional structures, plans and goals were created for the Plan but within a few years, it was clear that they were not working as effectively as intended.

Agencies have struggled to establish, in a practical sense, just who are the Aboriginal people they should be partnering with. This has resulted in poor levels of engagement and accountability between agencies and Aboriginal people locally.

The 2005 Two Ways Together Premier's Forum had also found internal communication within agencies, across agencies and with Aboriginal communities to be the greatest challenge to implementing the Plan. Improving information flows from Sydney to regional offices was identified as essential to success. As a result a new regional thrust for the Plan was developed.

Exhibit 5: New framework for the Two Ways Together Plan 2005



Source: Aboriginal Affairs NSW and Audit Office research

The Regional Engagement Groups (REGs) were a key part of this new structure. They were to take a more practical and on the ground approach and were responsible for:

- assessing the needs of their Aboriginal communities
- mapping the programs and funding that already existed in their region
- developing an action plan to drive improvement
- developing a community engagement process to identify the services that Aboriginal people were accessing, those that they were not, and the reasons for the latter.

KEY FINDINGS

Cluster groups were discontinued

As a part of this process the Two Ways Together Coordinating Committee endorsed 40 Aboriginal communities as priorities for specific assistance.

Restructuring the cluster groups in 2005 was intended to improve the communication, accountability and engagement across agencies and with the Aboriginal community. However, by February 2007, agency dissatisfaction with the new cluster process was growing.

By mid 2007, the four cluster groups were discontinued. Aboriginal Affairs NSW tells us that this was in part due to development of the NSW State Plan and the impact of a Council of Australian Governments reform agenda. The cluster groups were to be replaced by project groups but few of these were formally established.

Exhibit 6: Progress against cluster group targets

To evaluate the achievements of the cluster groups in reducing Aboriginal disadvantage we compared the 2005-07 action plan targets with progress against the 2009 Report on Indicators.

Within the four 2005-07 cluster group action plans 85 indicators were set. We found 55 of these indicators had targets set for 2012-13. Of these only 15 could be compared with the 2009 Report on Indicators because of the way the data was collected and reported. Of these 15 only six were likely to reach their target:

- one was progressing above target
- five were on track to achieve target
- four were below target
- five had inappropriate or unrealistic targets.

Refer to Appendix 2 for details.

There were no targets for the indicators on housing and infrastructure or health which were part of the seven priorities identified by the Aboriginal people at the commencement of the Plan.

This comparison showed little demonstrable progress against the cluster action plan targets.

Source: Audit Office research

Later in 2007, the CEO Group on Aboriginal Affairs that was to monitor cluster plans and regional action plans was discontinued. It was initially replaced by a Chief Executives Committee, which was itself dissolved in 2009 when the NSW Government super department structure began. It was then replaced by the Director's General Executive Committee, to which quarterly reporting is required on Aboriginal and Torres Strait Islander issues.

The REGs did continue, and in response to their initial tasks we found:

- in 2005, a region by region list of programs and services that included budgets was prepared by Aboriginal Affairs NSW
- in 2007, all ten REGs issued Regional Reports that included Aboriginal community priorities. Employment, health, crime prevention and housing were the top priorities
- in 2007, seven of the ten REGs developed and released action plans for 2007-09
- none of the REGs developed a community engagement process with local communities.

The REG regional action plans were to drive local improvements. They were designed to respond to community needs including increased employment and household income, safer communities and better housing. Between them, these plans established 33 goals.

KEY FINDINGS

An overall analysis of the progress of these goals, conducted by Aboriginal Affairs NSW in mid 2009, showed that:

- there was progress made against nine goals, such as improving attendance at pre-school and establishing additional community justice groups
- further work was needed on nine goals, such as implementing housing initiatives and conducting cultural awareness courses
- fifteen goals could not be evaluated because of lack of data.

Despite this early progress, inconsistent commitment to this process by agencies meant that most REGs stopped meeting in 2009 and reporting ceased.

REG results suggest some improvement in achieving targets. However, there were still a number of constraints identified by the stakeholders we spoke to. These included:

- the capacity of Aboriginal Affairs NSW and the Department of Premier and Cabinet to drive change at the regional and local level. Both Aboriginal Affairs NSW staff and Department of Premier and Cabinet Regional Coordination staff have important, although different, roles in understanding local services and bringing together agencies. Their ability to influence service delivery in a practical way however is limited. There is also a disparity in seniority between many regional agency managers and Aboriginal Affairs NSW regional staff, half of whom are in temporary positions. This can make their task of advocating for local Aboriginal community needs more difficult
- the many and varied regional boundaries that agencies work within add to the complexity of negotiating, organising and delivering services for Aboriginal communities. This also adds to duplication. Aboriginal Affairs NSW staff, within their region, may deal with 50 government agencies and about 60 non-government organisations. See Appendix 3 for population distribution and Aboriginal Affairs staff by region
- the short term nature of agency and non-government programs and services with a funding cycle of 12 to 24 months. Employing staff in this short funding cycle presents serious difficulties.

Although the Plan recognises that Aboriginal people know best the needs of their communities, community members we spoke to considered that government agencies still did not listen to or act upon what Aboriginal communities identify as their own needs.

By mid 2009, the regional reporting and accountability framework for the Plan had ceased systematic operation. We were informed that the NSW State Plan and Council of Australian Government reporting requirements overshadowed obligations under the Plan and became the focus of reporting. Also the Partnership Community Program was developed at a local level in recognition, in part, that regional action was not working as effectively as it might.

The Aboriginal people we spoke to during this audit told us they want agencies to be held accountable for their performance in addressing Aboriginal disadvantage. They want to know where, and on what, the money allocated to Aboriginal specific programs is being spent.

Exhibit 7: Views of Aboriginal people we met with on improvements under the Plan

In 2010-2011, we asked some of the Aboriginal people we met with if, in their experience, there had been real and measureable improvements in the seven key areas initially identified in the Two Ways Together Plan.

The views we heard suggested that the impact of the services delivered to Aboriginal communities has not matched the resources spent. Various reasons were put forward for this including:

- services not being aligned to the needs of the community
- community not knowing about the services available
- poorly delivered services
- services being duplicated.

Source: Audit Office research

The regional reporting and accountability framework had ceased systematic operation

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The 2005 restructure and its more regional focus achieved some positive developments. These included:

- some progress on REG action plan targets
- a regional presence for Aboriginal Affairs NSW that kept Aboriginal affairs as a focus for agencies
- some improved knowledge of the needs of Aboriginal communities within agencies.

It appears however that the restructure did not achieve:

- stronger accountability from agencies for the services and programs they were delivering
- better engagement with Aboriginal communities
- improved communication between agencies.

2.3 Were indicators established, and targets and measures set and achieved?

Conclusion

A lot of time and effort has been invested into developing performance measures for Two Ways Together. We found about 250 targets, indicators and measures were set at various times at both a regional and state level.

Over the course of the Plan, changes in these performance measures and the complexity of the governance and reporting processes that supported them has made long term evaluation more difficult. It has contributed to a lack of accountability for results against changing targets. Agencies have not been held accountable for achieving them.

The indicators used to report on the performance of the Plan in the biennial Report on Indicators show limited achievement in improving the lives of Aboriginal people.

The framework for the Plan evolved between 2003 and 2009. We are told that the NSW State Plan (2007 onwards) and the Council of Australian Governments National Partnership Agreements (2008 onwards) introduced new reporting requirements. However, the only reporting that has been maintained throughout the life of the Plan is the biennial Report on Indicators.

The Report on Indicators was published in 2005, 2007 and 2009, initially by the Department of Premier and Cabinet, and subsequently by Aboriginal Affairs NSW.

We found that from 2005 to 2009 the Report grew from a report on 40 indicators to a report on 134. Additional indicators were added as state and Commonwealth partnerships developed, the State Plan was introduced, and clusters sought to introduce more meaningful measures. There were about 250 targets, indicators and measures set for the Plan at various times at both a regional and state level.

To assess the overall impact of the Plan over its eight years of implementation, we reviewed results for the Plan's five highest priority areas. We found that:

- incarceration rates have significantly worsened, although family violence rates have reduced
- literacy and numeracy rates remain poor, but school retention rates have improved slightly
- hospitalisations for conductive hearing loss have reduced slightly
- Aboriginal unemployment rate has grown but more Aboriginal students are enrolling in management and governance courses at TAFE
- living conditions such as environmental health have shown little improvement and some deterioration. For details see Appendix 4.

Changes in performance measures have made long term evaluation more difficult

KEY FINDINGS

The \$40 million package of funded initiatives to support the Plan was evaluated in 2007, after the first three years of operation. Within the 13 programs developed to address the five highest priority areas 19 targets were set. The evaluation found nine targets were met. A further four targets were substantially met and the balance either did not proceed or were not close to their targets.

Reasons for underachievement against targets included delays in getting programs up and running, changing arrangements with the Commonwealth Government and obtaining data on results. Refer to Appendix 5 for details.

The evaluation also identified that the allocated funds had been significantly under-spent in the first three years of operation. Some agencies had subsumed funds into their general revenue and one agency had returned unspent monies to NSW Treasury.

The Plan was to promote the continuation of successful programs and to avoid duplication and waste. Such decisions about programs need to be based upon evidence. For example a 2008 review of 11 Aboriginal specific program evaluations, four of which were new programs, found that although all seemed highly appropriate:

- only one of the 11 was clearly effective and demonstrated a high level of value for money
- another four had promising results
- most of the evaluations provided no evidence on value for money. Very few had an evaluation objective around value for money or cost effectiveness. Refer to Appendix 6 for details of the programs evaluated.

If more rigorous evaluations were undertaken there would be a better evidence base of what contributes to program success. Without that it is difficult to say whether:

- funding is going where it can be most effective
- funding is properly allocated
- funding is spent on the programs it is allocated to
- government services are being used.

Properly targeting resources at services that are demonstrated to work may well reduce the gap in disadvantage, improve the wellbeing of Aboriginal people and also save money for government.

Research done for Aboriginal Affairs NSW has shown that closing the gap in disadvantaged is predicted to have the following effects:

• closing the gap in the rate at which Aboriginal children complete Year 12 through early intervention and prevention has the potential to lead to long-term savings in unemployment support and public housing. Halving the gap in the school retention rate between Aboriginal

and non-Aboriginal children for the sample studied would result in savings of \$150 million.

analysis of the total cost of juvenile and adult justice services for the sample studied
estimated that halving the gap between Aboriginal and non-Aboriginal children in the rate of
engagement with juvenile justice would result in savings of \$238 million. Closing the gap
entirely would result in a saving of \$450 million.

Closing the gap entirely would result in a saving of \$262 million

The 2010 Indigenous Expenditure Report estimated that in 2008-09 NSW spent approximately \$2.65 billion on services for Aboriginal people in NSW, of which about \$240 million was spent on Aboriginal specific services.

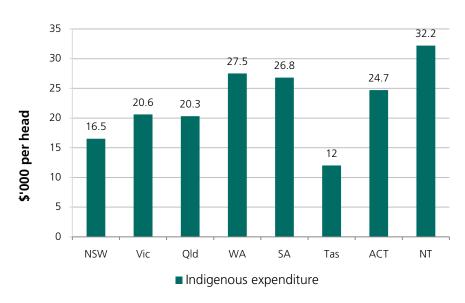
The report shows Indigenous expenditure per head of population in NSW to be the second lowest in Australia. The Department of Premier and Cabinet tell us that this may be due to the fact that NSW has the largest Aboriginal and non-Aboriginal populations, allowing NSW to take advantage of economies of scale, and that more of our Aboriginal residents live in urban and regional areas where it may be less expensive per person to deliver services than in remote areas.

NSW spent \$2.65 billion on services for Aboriginal people in 2008-09 Exhibit 8: Estimated general government Indigenous expenditure by jurisdiction 2008-09

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KEY FINDINGS



Source: 2010 Indigenous Expenditure Report, Commonwealth of Australia

Recommendations

We recommend that the Department of Premier and Cabinet in consultation with Aboriginal Affairs NSW:

- 1. by January 2012, consider the appointment of an Independent Advisor or Advisors as a champion for Aboriginal people in NSW to be a strong and independent voice on issues that are fundamental to improving the lives of Aboriginal people.
- 2. by June 2012, improve government agency accountability by:
 - appointing an independent auditor to undertake an annual program of reviews of government programs and services to Aboriginal people against specific outcomes, accountabilities and timelines. Audit reports to be provided to the relevant Minister and made publicly available
 - using information obtained through the independent audit process to form an evidence base to determine which programs and services are making a difference and why.
- 3. by June 2012, requiring every government agency funded to deliver programs and services to Aboriginal people to include in their annual report a breakdown of Aboriginal specific funds received, how they were spent and outcomes achieved.
- 4. by July 2011, ensure the compliance of NSW Government agency heads with the reporting requirements on Aboriginal targets as part of their performance agreement and develop a plan to regularly review compliance and results.
- 5. by January 2012, require all NSW Government agency heads and regional managers to undertake Aboriginal cultural competency training and support local Aboriginal community groups to provide an element in that training about the local Aboriginal environment.

KEY FINDINGS

Overarching frameworks have not functioned according to plan since 2009

3. Two Ways Together at the local level

3.1 Was local implementation effective?

Conclusion

We found the Two Ways Together Partnership Community Program which commenced in 2009 to be the first focused attempt to develop a community engagement process. This Program has the capacity to enhance engagement and improve the coordination of government efforts at a local level. It can also build the skills within Aboriginal communities to negotiate with government.

Our discussions with community governance body members identified that establishing and supporting governance bodies is the means by which government can help give Aboriginal people a strong voice in planning and designing how their needs and aspirations are met. Achievements are encouraging even though implementation at the local level is still at an early stage.

The overarching frameworks developed to implement the Plan have not functioned according to plan since 2009. However they have laid the groundwork for establishing governance arrangements in local Aboriginal communities through the Two Ways Together Partnership Community Program.

This program aims to provide a way for Aboriginal communities and government agencies to work together to improve outcomes for Aboriginal people on the ground by guiding local planning and service delivery.

Forty communities, representing approximately 45 per cent of the Aboriginal population of NSW, were endorsed in 2007 as places where this Program was to be implemented. Under the Program, a project officer from Aboriginal Affairs NSW helps communities to develop a community governance body. Refer to Appendix 7 for details.

Community governance bodies established through the Program can be formally recognised by the NSW Government and the Commonwealth Government as the group that agencies, local councils and non-government organisations must meet and consult with on the planning and delivery of services in the local community. To become recognised, community groups need to fulfill a number of criteria including:

- members are Aboriginal people who are part of their community and have been accepted as community members in accordance with local cultural protocols
- demonstrating that its membership reflects the diversity of the community
- showing that its delegates are chosen in a fair, equal and transparent manner
- developing Terms of Reference
- demonstrating how they will seek the views of the community on important issues.

This body is then supported to work with government to identify community priorities and develop an action plan in response. The name and structure of each community governance body depends upon the community.

Exhibit 9: Two Ways Together Partnership Communities

Region	Partnership Community				
Sydney	La Perouse* Campbelltown / Macarthur Region Central Coast	Redfern Greater Mt Druitt area			
North East	Gloucester Lake Macquarie Tabulam	Taree* Bowraville* Ballina			
North West	Toomelah/Boggabilla Moree	Tamworth			
Riverina Murray	Albury* Balranald* Orange* Bathurst*	Tumut / Brungle* Dubbo* Wellington*			
Illawarra/South East	Greater Wollongong Shoalhaven	Wallaga Lake*			
Western NSW/ Murdi Paaki	Bourke Brewarrina Broken Hill Cobar Collarenebri* Coonamble Dareton/Wentworth* Enngonia	Goodooga Gulargambone Ivanhoe* Lightning Ridge* Menindee Walgett* Weilmoringle Wilcannia			

Source: Aboriginal Affairs NSW

By March 2011, 16 Partnership Communities Program locations had developed bodies that are recognised as community governance bodies. Most of these bodies have only been recognised in the last 12 months.

Through this Program, local communities now have a way to elevate and resolve local issues.

Exhibit 10: Impact of some community governance bodies

The establishment of a community governance body in one town has benefitted the community in many ways. These include:

- elevating an asbestos issue in a local hall surrounded by families and children to the local council and relevant agencies
- Elders who are members of the community governance body run activities at the prison two days a week
- encouraging more Aboriginal people to participate in community activities such as Reconciliation Day, NAIDOC Day and Sorry Day
- working with the local youth committee, land council, local council and health and transport committee to manage local issues.

Achievements of other bodies include:

- a playgroup established for young parents and their children to make them comfortable in the school environment and to provide support to parents
- obtaining community housing for a homeless young man
- identifying service provision issues affecting local Aboriginal people.

Source: Aboriginal Affairs NSW and Audit Office research

Community governance bodies provide a means to elevate and resolve local

issues

^{* 16} Partnership Communities that had established recognised community governance bodies at the time of this audit

KEY FINDINGS

Continuing to build governance and negotiation capacity in Aboriginal communities is crucial

As most community governance bodies are at a very early stage of development, members we spoke to said their groups needed ongoing support until they could become resilient and self sustaining.

They were concerned that if this program, that is showing real promise for their communities, loses momentum because of lack of government support, it would be a further setback for the communities.

In particular, members told us that continuing to build governance and negotiation capacity in Aboriginal communities is crucial. Comments we recorded from members regarding the development of community governance bodies included:

- we need members with good quality skills and capacity. They should have induction and ongoing skills training
- Aboriginal people need to be able to develop negotiation skills and have relevant training programs made available
- members want governance training to increase their effectiveness as members
- some Aboriginal people need encouragement to speak out.

Further details of the views of Partnership Community members are described in Appendix 8.

The NSW Ombudsman's 2010 inquiry into service provision to the Bourke and Brewarrina communities identified that in any community a range of competing interests and divisions can exist. Such circumstances can present a potentially significant obstacle for government agencies seeking broad endorsement of plans to improve service delivery. The Partnership Community Program provides a body that government agencies and others wishing to 'do business' with communities can consult.

Research has also identified that strong, well-governed Indigenous communities and organisations are the key to real success in achieving lasting change on the ground. This includes:

- strong leadership and locally accepted representation systems are critical to mobilising community participation and sustaining effective governance
- genuine power to make decisions is required at the local level, which implies acceptance of local responsibility for local decisions
- credible decision making must be backed up by the reliable resources and capacity to enforce the implementation of decisions
- government capacity also plays a critical role in building effective, legitimate Indigenous governance.

We found similarities between the aims of the Two Ways Together Partnership Community Program model and work being done by the Commonwealth in partnership with the states to improve service delivery to some remote Aboriginal communities.

Exhibit 11: Remote service delivery model

The remote service delivery model involves the following essential elements:

- engagement with communities
- baseline mapping and service audits
- establishing integrated planning
- coordination, and service reporting mechanisms
- developing local implementation plans to improve service design and delivery
- reporting and sharing best practice and risk management.

Source: Remote Service Delivery Bilateral Implementation Plan, Australian Government Office of the Coordinator-General for Remote Indigenous Services

The remote service delivery approach to improving engagement, communication and accountability at the local level seems to be delivering what communities want.

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Exhibit 12: Progress of community issues raised in NSW Remote Service Delivery -Walgett and Wilcannia

Walgett Issues Status at August 2010 Need for ongoing support for the local The Men's Group has been funded for six months to Men's Group develop group and diversionary activities. Delays in delivering a program of repairs and Two repairs and maintenance stages are now complete. maintenance to housing owned by the Minor defects identified during practical completion Walgett Local Aboriginal Land Council inspections have been rectified. Wilcannia The Department of Families, Housing, Community Youth engagement stands out as a critical concern for Wilcannia Services and Indigenous Affairs (FaHCSIA) has provided funds for an additional part time Youth Worker who is currently being recruited. FaHCSIA funded Reconnect Service is now delivered by an Aboriginal employee. Housing issues, including shortages of housing Land is currently being identified for the construction of stock, the condition and maintenance of safe houses. housing, lack of air conditioning and issues Scoping is currently being undertaken to determine surrounding the payment of rent where coolers will be installed. Implementation of the FaHCSIA funded Financial Wellbeing Services. A Tenant Support and Education Program.

Source: Australian Government Office of the Coordinator-General for Remote Indigenous Services

From the development of the Partnership Community Program several important factors have emerged. Firstly, government timetables are not necessarily community timetables. It may take some communities longer than others to reach the community consensus required to achieve recognition.

The effort of communities and their supporting Partnership Community Program Officers should be sustained and encouraged by the cooperation of government agencies and non-government organisations.

Secondly, we recognise that some 55 per cent of the Aboriginal population of NSW lives outside of these Partnership Communities. So there is potential for further expansion in these areas.

While the Partnership Community Program may be suitable for many communities there will be those where it is not. In such communities alternate structures may need to be negotiated.

Government timetables are not necessarily community timetables

KEY FINDINGS

Recommendations

We recommend that under the Two Ways Together Partnership Community Program, Aboriginal Affairs NSW:

- 1. continue to support existing and developing community governance bodies and by January 2012:
 - provide ongoing training to the community governance bodies in order to give them the
 tools and practical skills needed to work with agencies, such as leadership skills, financial
 literacy and negotiation skills
 - develop a cadetship program for each community governance body. Under this program
 a scholarship and permanent employment position be developed with the successful
 candidate to study an appropriate management course and work with and support the
 community governance body.

We recommend that Aboriginal Affairs NSW:

- 2. by January 2012, develop a process to monitor government agency compliance with the requirement to work with the community governance bodies in developing and delivering programs and services including an annual report on achievement against each community governance body's priorities.
- 3. by January 2012, identify within existing resources, project staff to act as solution brokers to assist those communities not a part of the Partnership Community Program until the Program is rolled out across NSW.
- 4. by January 2012, review and streamline the indicators within the biennial Report on Indicators. This should be done with reference to:
 - what reporting is required in the interest of key stakeholders (the Aboriginal people of NSW and the wider NSW population)
 - ensuring NSW is reporting on key activities and achievements towards overcoming disadvantage
 - strengthening the voice of local Aboriginal people within reporting.

Appendix 1: Two Ways Together plan on a page

EDUCATION	ECONOMIC DEVELOPMENT	HOUSING AND INFRASTRUCTURE	НЕАГТН	JUSTICE	CULTURE AND HERITAGE	FAMILIES AND YOUNG PEOPLE
Aborginal people achieve the same education outcomes as the non-Aborginal population	Aboriginal people and communities achieve their goals and aspirations through participation in the economy	Safe and sustainable housing and related infrastructure	Improved health of the Aboriginal peoples of NSW	Reduce the number of Aboriginal people coming in contact with the criminal justice system	Aborginal peoples of NSW protect, practise and promote their cultures	Strong and safe children, families and young people
Plouturesults 2 Elimination of the gap between Aborginal and non-government accode students in reading, writing and numeracy achievement at years 3,5 achievement at years 1,2 fequivalent retention rates to year 10 and year 12	Priority results 4 Increased Aboriginal employment in the public sector, private sector, and in self- employment.	Priority results 5 Social housing for Aborignal households conforming to minimum condition standards Discrete Aborignal communities have clean varier, functioning sewerage, and waste collection	Priority results Reduction in hospitalisation and disability caused by otitis media	Priority results. 1 Reduction in incarceration rates	Priority results increased cultural expression by Aboriginal communities and individuals increased support for cultural expression that reflects con	Pronty results: Decreased incidence of domestic violence and dysfunction in Aboriginal communities Reduced risks to children and young people in high risk Aborigman families Families enabled to better cope with demands of family life
Related indicators Pre-exchool and school attendance rates School retention and attainment Numeracy and literacy results	Related indicators Employment rates, labour force participation Household and individual income. Training	Related indicators Proportion of social housing at or near a maintained state. Aboriginal communities with clean water, functioning sewerage and waste collection systems	Related indicators Hearing impediments (fympanoplasty for othis media hospital separation and Aborginal children receiving timerant Teaching Services due to the effects of othis media).	Related indicators imprisonment and detention rates. Repeat offending. Juvenile diversions as a proportion of all juvenile offenders.	Related indicators Number of community initiated and conducted cultural expression programs involving Elders and young people. Wurther of Aboriginal people employed by Government in areas directly related to Aboriginal cultural policy, programs and cultural expressions.	Related indicators Victim rates for cime Alcohol related crime and hospital statistics Drug and other substance use Substantiated child protection notifications Children and young people on long term care and protection orders Young people formally restored to family who do not reenter the care system within 1 and 5 years.
New initiatives - Kids Excel - Youth Excel - Scholarships for Aborignal students	New Initiatives - 80 new education and nursing positions - Trainee/cadecship partnership with the business sector	New initiatives: Expand Housing for Health component of Aboring Communities Development Program Water and sewerage operation and maintenance Ottis media screening and intervention program	vinitatives. Expand Housing for Health component of Aboriginal Communities Development Program Water and sewerage operation and maintenance program Ottis media screening and intervention program	New Initiatives New community justice groups Intensive court supervison Aboriginal family violence program Rekindling the Spirit Walking Together Intensive Family 8ased Services	titice groups blence program ed Services	
Existing initiatives - Conduct a review of Aborginal education Aborginal education Program among at identifying school structures, staff training and interagency collaboration needed to implement case management	Existing initiatives Increase Aboriginal employment in the public sector, through implementation of the NSW Aboriginal Employment Strategy	Existing institutives New Aborignal housing to areas with high need Increase innunisation coverage for children Establish culturally sensitive, community based fa senrices, and antenatal and postnatal programs f women Implementation of water monitoring program in communities.	ing initiatives: New Aboriginal housing to areas with high need increase inmunisation coverage for children Establish culturally sensitive, community based family planning services, and antenatal and postnatal programs for Aboriginal women implementation of water monitoring program in Aboriginal communities.	Existing initiatives Community solutions Expand circle sentencing to a further furplement an offence-targeting proje increase the range of prevention and Provide high-risk indigenous families with ance families first to enable home Recruit more indigenous foster carers Reduce the backlog of \$14 parks	Existing initiatives. Community solutions. Expand circle sentencing to a further 5 Aboriginal communities. Implement an offence-targeting project to analyse offending patterns in local Aboriginal communities increase the range of prevention and early intervention programs. Provide high-risk Indigenous families with first born children 0-5 with DoCs vulnerable families project inhance families first to enable home visiting to high risk families for up to 2 years. Recut more indigenous foster carers. Reduce the backlog of s14 parts.	Community solutions Community solutions Community solutions Expand circle sentencing to a further 5 Aboriginal communities Implement an offence-targeting project to analyse offending patterns in local Aboriginal communities Increase the range of prevention and early intervention programs Provide high-risk Indigenous families with first born children 0-5 with DoCs vulnerable families project Enhance families first to enable home visiting to high risk families for up to 2 years Recrut more indigenous clotter carers Reduce the backlog of \$14 parks

Note: The initial Two Ways Together package of initiatives five highest priority areas are indicated 1 to 5 above. Source: Aboriginal Affairs NSW

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Appendix 2: Cluster plan achievements

Indicator	Above target	On track	Below target	*Inappropriate targets
Economic development				
Labour force participation rate set a target of 55% in 2013. In 2002 the rate was 56.6% and by 2007 it had dropped to 54.6%.				✓
Percentage of Aboriginal people employed in the NSW public sector set a target of 2.4% for 2013. In 2002, the actual percentage was 1.6%. In 2008, the actual percentage was 2.1%.		✓		
Land claims granted under the Aboriginal Land Rights Act 1983 set a target of 240 for 2013. Actual results were 2,126 for 2003-04 and 2,329 for 2008-09.				√
Justice				
Aboriginal male imprisonment rate per 100,000 at 30 June each year set a target of 2,034.8 for 2013. As at 2004 the actual rate was 2,821.5. As of 2009 the actual rate was 3,551.			✓	
Detention rate per 100,000 juveniles at 30 June each year set a target of 425.9 by 2013. As at 2004 the rate was 240 and 2009 was 338.9.				✓
Family and young people, education, health, housing and infrastructure				
Average attendance rate K-6 for Aboriginal students set a target for 2012 of 87.1%. The actual for 2006 was 87.8 and 2008 was 88.2%.				√
Average attendance rate for years 7-10 for Aboriginal students set a target for 2012 of 78.6%. The actual rate went from 78.6% in 2006 to 79.4% in 2008.				√
Years 10-12 full time equivalent apparent retention rate for Aboriginal students set a target of 59.4% in 2012. The actual rates were 38.2% in 2003 rising to 43% in 2008.			✓	
Aboriginal enrolment in TAFE NSW. The target for 2013 was 30,120. The actual result in 2004 was 19,954 and in 2008 were 29,135.		✓		
Percentage of TAFE NSW students who are Aboriginal set a target of 6% for 2013. In 2008 the actual result was 5.8%.		✓		
Number of Aboriginal students enrolled in TAFE course at AQFC III and above set a target of 9,940 students for 2013. The actual result in 2008 was 7,725.		✓		
Percentage of Aboriginal TAFE students enrolled in course at AQFC III and above set a target of 33% for 2013. The actual in 2008 was 26.5%		✓		
Culture and heritage				
The number of access agreements between the NSW Government and Aboriginal communities that enable access to culturally significant land (not including co-management agreements or Indigenous Land Use Agreements) set a target of 50 for 2013. In 2008-09 there was seven Memoranda of Understanding.			~	
The number of Aboriginal people who identify as speaking their own language set a target of 1,050 for 2013 target. In 2008-09 the actual number is 812.			✓	
The number of places recognised primarily for the conservation of Aboriginal heritage values set a target of 84 for 2013. In 2008-09 the total was 113.	√			

Note: * Inappropriate or unrealistic targets are those that required either little improvement or would see deterioration of results.

Source: Aboriginal Affairs NSW and Audit Office research

Appendix 3: Aboriginal Affairs regional information



Aboriginal	Affairs regions	Number of Aboriginal Affairs staff March 2011	Regional Engagement Group areas	Aboriginal population (2006)	
Area office in	Sydney	6.5 (of which 3.5 are	Coastal Sydney	12,929	
Sydney		permanent positions)	Western and South Western Sydney	28,065	
	South East	5.6 (of which 3 are permanent positions)	Illawarra/South East	14,219	
		Central Coast	6,828		
Area office in	Coast	permanent positions)	Hunter	16,303	
Newcastle	North East	4 (of which 2 are permanent positions)	North Coast	20,614	
	North West	6.5 (of which 3.5 are permanent positions)	New England/North West	14,559	
Area Office in	Riverina	5.5 (of which 3 are permanent positions)	Riverina Murray	9,330	
Dubbo	Central West	5 (of which 2 are permanent positions)	Mid-Western	16,542	
	Western (including Remote Service Delivery National Partnership)	12.5 (of which 2.5 are permanent positions)	Western NSW/ Murdi Paaki	8,789	
	Total	51.1 (of which 22 are permanent positions)*		148,178	

^{*}In addition the Sydney Central Office of Aboriginal Affairs NSW has a Chief Executive and 44 staff (of which 37 are permanent positions).

Source: Aboriginal Affairs NSW and Two Ways Together Report on Indicators 2007

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Appendix 4: Results	for the	five high	hest priorit	tv areas
				,

Five highest priority areas	Indicators when Two Ways Together started	Target	2009 Report on Indicators
Priority area 1			
Incarceration rates	2003 Adult imprisonment per 100,000 Aboriginal males – 2,857 All NSW males – 235 Aboriginal females – 263 All NSW females – 15	Reduction in incarceration rates	2009 sentenced adults in prison rate per 100,000 Aboriginal males – 3,551 Non-Aboriginal males – 215.3* Aboriginal females – 379.2 Non-Aboriginal females – 14*
Domestic violence rates	2002 Domestic violence assault rate per 100,000 Aboriginal females – 3,685 All NSW female – 596	Decrease in domestic violence	2008 Domestic violence assault rate per 100,000 Aboriginal females – 3,035 Non Aboriginal females – 495*
Priority area 2			
Year 3 numeracy rates	2001 – Achieving national benchmark in numeracy Year 3 Indigenous students - 86.9% All students - 95%	Eliminate the gap between Aboriginal and non-Aboriginal school students in numeracy achievements in Yr 3	2008 NAPLAN Year 3 numeracy or above national minimum standards Aboriginal students - 88.6%* Non-Aboriginal - 97.3%*
Year 5 literacy rates	2001 – Achieving national benchmark in literacy (reading) Year 5 Indigenous students - 76.6% All students - 92%	Eliminate the gap between Aboriginal and non-Aboriginal school students in reading achievements in Yr 5	2008 - NAPLAN Year 5 reading a or above national minimum standards Aboriginal students - 77.6%* Non-Aboriginal students - 94.4%*
Year 7-10 school retention rates	2002 Apparent retention rates years 7-10 Indigenous students – 81.6% All students - 95.9%	Equivalent school retention rates for all school students in Yr 10	2008 full time apparent retentio for years 7/8 to 10 Aboriginal students - 84.65%* All students - 97.25%*
Year 7-12 school retention rates	2002 Apparent retention rates years 7-12 Indigenous students – 30% All students - 65%	Equivalent school retention rates for all school students in Yr 12	2008 full time apparent retentio for years 10-12 Aboriginal students - 43%* All students - 72.35%*
Priority area 3			
Hospitalization for middle ear infection	2001-02 Hospital separations for otitis media and tympanoplast rate per 100,000 Aboriginal people – 26.9 Non-Aboriginal people - 17.1	Reduce hospitalizations and disability caused by otitis media	2007/08 Hospitalisations for otitis media and tympanoplast per 100,000 Aboriginal people – 23.5 Non-Aboriginal people – 25.5
Priority area 4			
Unemployment rate	2002 Unemployment rate Aboriginal people – 18.3% All NSW people - 6%	Increase Aboriginal employment in the public sector, private sector and in self-employment	2007 Unemployment rate Aboriginal people – 20% All NSW people – 4.8%
Enrolment in management courses	2004 Aboriginal students enrolled in management or governance courses at TAFE Aboriginal students – 537		2008 - Aboriginal students enrolled in management or governance courses at TAFE – 720

Five highest priority areas	Indicators when Two Ways Together started	Target	2009 Report on Indicators
Priority area 5			
Living conditions	2002-03 New allocation of housing to Aboriginal households as a proportion of all allocations in mainstream public housing - 8.7%	Social housing for Aboriginal households conforming to minimum condition standards	2008/09 Proportion of new allocations of mainstream public housing to Aboriginal households - 14.3%
	2002-03 Hopsitalisation rates for skin infections for children aged under five per 100,000 Aboriginal males – 728.2		2007-08 Hopsitalisation rates for skin infections for children aged under five per 100,000 Aboriginal males – 861.4
	Non-Aboriginal males – 231.9 Aboriginal females – 746.4 Non-Aboriginal females – 199.7		Non-Aboriginal males – 261.4 Aboriginal females – 848.1 Non-Aboriginal females – 254.5
	2002-03 Hopsitalisation rates for gastrointestinal infections for children aged under five per 100,000		2007-08 Hopsitalisation rates for gastrointestinal infections for children aged under five per 100,000
	Aboriginal males – 2258.4 Non-Aboriginal males – 1678.8 Aboriginal females – 1637.6 Non-Aboriginal females – 1745.5		Aboriginal males – 1608.7 Non-Aboriginal males – 1132.6 Aboriginal females – 1485.6 Non-Aboriginal females – 1048.2
	2002-03 Hopsitalisation rates for acute respiratory infections for children aged under five per 100,000 Aboriginal males – 6880.6 Non-Aboriginal males – 3657 Aboriginal females – 4623.1		2007-08 Hopsitalisation rates for acute respiratory infections for children aged under five per 100,000 Aboriginal males – 7664.9 Non-Aboriginal males – 3971.7 Aboriginal females – 5232.5
	Non-Aboriginal females – 2738.7		Non-Aboriginal females – 2831.4

These indicators are extracted from the 2005, 2007 and 2009 Reports on Indicators. Those results marked with * are not directly comparable.

Source: Two Ways Together Report on Indicators 2005, 2007 and 2009

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Appendix 5: Package of funded initiatives 2004-05 to 2007-08

Five highest priority areas	Two Ways Together funded programs	Sample target	Results	Target met	Target at least 75 per cent met	Budget over 4 years
1. Reduce incarceration	Rekindling the Spirit program	180 referrals over two years	174 referrals	×	✓	
rates and break the cycle of	(Lismore)	131 graduates over two years	37 graduates	×	×	\$1,864,000
cycle of family violence		54 breaches of good behavior bonds	8 breaches	~	√	
	Walking Together program	330 referrals over three years	269 referrals	×	✓	\$1,200,000
	(Newtown)	239 graduates over three years	133 graduates	×	×	\$1,200,000
	Family violence program (Dubbo)	90 referrals over three years	109 referrals	✓	✓	
		75 graduates over three years	27 graduates	×	×	\$732,000
		27 breaches of good behavior bonds	7 breaches	✓	√	
	Aboriginal Community Justice Groups	10% less Aboriginal people in Local Court matters over 2 years	5.5% decrease in 8 of 17 locations. Results in other locations not known	×	×	\$3,171,000
	Aboriginal community patrols	5% reduction in malicious damage to property offences in communities with patrols	14 communities had Aboriginal community patrols. 5 had a reduction, 3 were stable, 3 had an increase and 3 had no information.	×	×	\$3,975,000
2. Improving Year 3 and Year 5 literacy and numeracy and school retention	Kids Excel	Less Aboriginal students in the lowest band for literacy in Year 3	14.2% decrease in the 5 schools with the Kids Excel program (however 0.2% decrease across all schools)	~	✓	\$6,905,000
rates	Scholarships for Aboriginal students	480 scholarships over three years	488 scholarships awarded	✓	✓	\$489,000
	Youth Excel	Less Aboriginal students in the lowest band for School Certificate English	13.8% decrease in the 3 schools with Youth Excel program (however 1% increase across all schools)	~	√	\$3939,000
3. Reduce conductive hearing loss (otitis media)	Otitis media screening	Screening 46,766 children over three years	41,745 children screened	×	✓	\$2,490,000

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Five highest priority areas	Two Ways Together funded programs	Sample target	Results	Target met	Target at least 75 per cent met	Budget over 4 years
4. Increase Aboriginal employment	Teaching scholarships	70 scholarships over two years	Did not proceed out of TWT funding	×	×	\$371,000
	Cadetships	Unspecified	84 cadetships	✓	✓	
5. Improve living conditions	Houses for health	501 houses improved over three years	377 houses improved	×	√	\$5,000,000
	Water and sewerage operation and maintenance program	By year two 80% of reported problems responded to within one week	80% of reported problems were responded to within one week	~	✓	#1 200 000
		By year two, less than 80 houses affected by water and sewerage breakdowns	Less than 80 houses affected	✓	√	\$1,800,000

Source: Aboriginal Affairs NSW

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Appendix 6: Eleven program evaluations reviewed 2008

Program	Agency	Year of evaluation	Size
Circle Sentencing in NSW – review and evaluation	Attorney General's Department	2003	New, year 1 Small One site pilot
Evaluation of the Schools in Partnership Initiative	Department of Education and Training	2007	New, year 1 Medium 10 schools
NSW Aboriginal Youth Leadership evaluation	Department of Community Services	2007	New, year 1 – 2 Small 7 sites
Review of the Intensive Court Supervision Pilot Program	Department of Juvenile Justice	2007	New, year 1-2 Small 2 sites
Evaluation of NSW Aboriginal Vascular Health Program 2000- 2003	NSW Health	2004	Developing, year 3 Medium 9+ sites
Protecting our Places Evaluation of the Grants Program	Department of Environment and Conservation	2006	Established, year 3 Medium 48 projects
Evaluation of the Lismore Driver education program	Attorney General's Department	2005	Established, year 4 Multi sites, Single region
Intensive Family Based Services Evaluation Report	Department of Community Services	2008	Established, year 4 Medium 2 sites
NSW Aboriginal Maternal and Infant Health Strategy – Final Evaluation	NSW Health	2005	Established, year 4 Medium 7 regions
Review of Link to Learning 1995-1999	Department of Education and Training	2000	Established Small Multi sites
Review of the Aboriginal Client Services Specialist Program	Attorney General's Department	2005	Established, 10 years Medium 16 sites

Source: Aboriginal Affairs NSW

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Appendix 7: The Partnership Community Program (October 2009) What is the Partnership Community Program?

The Two Ways Together Partnership Community Program (the Program) establishes how the Government will support and work in partnership with local Aboriginal communities to improve service delivery and strengthen community well-being.

The Program recognises that Aboriginal people know best the needs of their communities.

The Program supports community self determination and strengthens community input into decision making and planning to improve local service delivery and community well-being.

Partnership Community Project Officers will initially support 40 Aboriginal communities across NSW known as Partnership communities, covering around 45% of Aboriginal people.

What are the elements of the Program?

Local Community Governance Bodies

The Draft Partnership Community Governance Framework outlines how local representative community governance bodies will be established, or where they exist supported, reflecting the diversity of each Partnership Community. These community governance bodies will identify each community's priorities and longer term aspirations.

The Draft Framework is based on five principles:

- self determination
- · diversity and inclusivity
- true representation of community
- government responses that reflect community needs
- mutual accountability.

Community Action Planning Groups

Community governance bodies and Government agencies will work together through Community Action Planning Groups to develop Community Action Plans based on these priorities and aspirations.

What will the Partnership Community Program mean for Aboriginal communities?

The Program establishes a clear way for communities to work with government as partners to identify and better respond to community needs, drive local planning and improve service delivery on the ground.

The Program is based on the principles of partnership and mutual accountability. It puts in place a partnership and whole of Government response to improve local outcomes and strengthen community well-being.

How will the Program be supported?

A Partnership Community Project Officer will work in each Partnership Community to assist in the implementation of the Program.

The Partnership Community Project Officer is the key liaison point in the Partnership Community between the community and the government agencies.

Their role is to work directly with the community to identify a community governance body and have that body recognised under the Partnership Community Program.

Following recognition of the community governance body, the Partnership Community Project Officer will work with this body and Government agencies to jointly develop a community action plan.

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The Partnership Community Project Officer will:

- provide technical support and assistance to the community as it decides on the body it wishes to have recognised as the community governance body
- assist the community body to demonstrate that they satisfy the criteria under the Draft Framework.

What about other Aboriginal Communities?

Government agencies will continue to have responsibility for service delivery to all Aboriginal communities.

Aboriginal Affairs NSW will maintain its work across NSW through its regional presence.

Non-Partnership Communities can establish or use their own community governance bodies. A range of materials to support community strength and well-being will be available for all communities to use and will be accessible on the Aboriginal Affairs NSW website at www.daa.nsw.gov.au.

Once Community Action Plans are in place in the 40 current partnership communities, the Project Officer positions will move to new Partnership Communities.

Source: Aboriginal Affairs NSW

Appendix 8: Comments from community governance body members

Member A

Before Partnership Community Program

"... community leadership was very disjointed. Trying to deal with multiple liaison reference and advisory committees ... it was just a tick in the box saying yes we have Aboriginal people involved in our decision...as Aboriginal people we need to be focussed on outcomes, making services accountable, making agencies accountable. I don't think that under the old structure that they were getting the right advice or responding to it and I know the lack of outcomes is reflected in those structures."

After Partnership Community Program

"We have made it clear that we want outcomes, not just a talk fest ... we have a focus for what we have to do in this community ... one clear voice brings about unity and there are so many organisations pushing Aboriginal issues that don't have the connections with our community. The people we have are connected, they have been here for a number of years, and they have skill, knowledge and understanding."

Member B

Before Partnership Community Program

"It was a bit of a chaos and we didn't know where we were going ... there were a lot of different voices all talking at once and getting nowhere ..."

After Partnership Community Program

"It got more people involved. People that didn't come near us before. I'm really happy that we're coming together."

Member C

Before Partnership Community Program

There was sections of organisations, clusters in the community that ran their own organisation...there wasn't a great deal of leadership ... there was limited trust between community and government prior to this program ... the community didn't have a united voice before the PCP. A lot of organisations and people in the community were talking to government without the whole of community knowing and for different reasons."

After Partnership Community Program

"...the PCP has bought the community together and we're all going forward in the same direction ... this alliance group will surpass any of the others previously because it's from the organisations from the community. So it's run by the community for the community ... it's the best interest of the community – it isn't any other organisation coming in trying to direct the community to go where it suits them."

Member D

Before Partnership Community Program

"Community leadership was very poor because of lack of knowledge and lack of incentive with the community ... never had a unified voice to express concerns or issues and the trust between the community and the government never existed ..."

After Partnership Community Program

"It will help prevent the duplication of services ... provide clear concise communication channels ... clear indication of government agencies and funding bodies."

Member E

Before Partnership Community Program

"... we weren't aware of planned programs for our area, we only found out when they started or after they were over ... there wasn't any trust between the government and the community. Our community was visited by lots of representatives from lots of organisations in an ad hoc way. Often that was the last we saw of them."

After Partnership Community Program

"I believe that the support the Partnership Community Project Officer has provided the communities has been a major part of the success ... it has opened up the door for our community to meet with government agencies better ... it is a planned way for our community to meet and discuss our needs and work on achieving them."

Source: Aboriginal Affairs NSW

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Appendix 9: About the audit

Audit objective

This performance audit will assess how well Two Ways Together, the Aboriginal Affairs Plan 2003-2012 has worked to improve outcomes for Aboriginal people in NSW.

Audit criteria

In answering the audit objective, we used the following audit criteria (the 'what should be') to judge performance. We based these standards on our research of current thinking and guidance on better practice. They have been discussed, and wherever possible, agreed with those we are auditing:

- were indicators set and targets and measures established and achieved?
- was implementation effective in terms of whether:
 - a state-wide coordinated approach was established and followed?
 - a local coordinated approach was established and followed?

Audit scope

This audit focused on a high level assessment of how well the Two Ways Together Aboriginal Affairs Plan has been working to improve outcomes for Aboriginal people in NSW.

Audit approach

We acquired subject matter expertise by:

- (a) interviews and examination of relevant documents including policies, plans, guidelines, reports, strategies and reviews relating to Two Ways Together and the regional network established by the Department of Premier and Cabinet to deliver coordinated services across NSW
- (b) discussions with relevant staff at Aboriginal Affairs NSW and the Department of Premier and Cabinet at various regional offices including Dubbo, Wellington, Wagga Wagga, Parramatta, Wollongong and Sydney
- (c) discussions with representatives of key stakeholders including Aboriginal peak bodies, non-government service providers, Commonwealth Indigenous Coordination Centres and the Department of Human Services NSW.

We also examined approaches in other jurisdictions. This includes Australian states and territories, New Zealand, and Canada.

This report incorporates advice provided by Dr Gaynor Macdonald of the Department of Anthropology, School of Social and Political Sciences, Faculty of Arts, University of Sydney.

Audit sample

We visited Aboriginal community members at locations including:

- (a) Wollongong
- (b) Parramatta
- (c) Dubbo
- (d) Wellington
- (e) Wagga Wagga
- (f) Bowraville.

This selection was based upon the location of Partnership Community Program community governance bodies and advice from Aboriginal Affairs NSW.

Audit selection

We use a strategic approach to selecting performance audits which balances our performance audit program to reflect issues of interest to Parliament and the community. Details of our approach to selecting topics and our forward program are available on our website.

Audit methodology

Our performance audit methodology is designed to satisfy Australian Audit Standards ASAE 3500 on performance auditing, and to reflect current thinking on performance auditing practices. We produce our audits under a quality management system certified to International Standard ISO 9001. Our processes have also been designed to comply with the auditing requirements specified in the Public Finance and Audit Act 1983.

Acknowledgements

We gratefully acknowledge the co-operation and assistance provided by Aboriginal Affairs NSW, and the Department of Premier and Cabinet and in particular our liaison officers Mr Jason Ardler, Dr Meg Montgomery and Ms Jennifer Hickey. We also wish to thank staff who participated in our interviews and site visits for providing valuable information on the implementation of the Two Ways Together Plan in their region.

We were also assisted by discussions with a number of Aboriginal community members and Aboriginal community groups and organisations. In particular we would like to extend our appreciation to those people we met with from:

- The Illawarra Aboriginal Community Based Working Group
- The Dubbo Community Working Party
- The Wellington Community Working Party
- The Bawrruung Community Governance Group, Bowraville
- The Aboriginal Legal Service, Wagga Wagga
- The Miimi Aboriginal Corporation, Bowraville
- Gannambarra Enterprises, Wagga Wagga
- The Aboriginal Child, Family and Community Care State Secretariat, Sydney
- The NSW Aboriginal Land Council.

We also appreciate the assistance given to us by staff from UnitingCare Burnside, the NSW Ombudsman's Office and the Commonwealth Government Indigenous Coordination Centre.

Audit team

Our team leader for the performance audit was Penelope Josey, who was assisted by Angelina Pillay. Sean Crumlin provided direction and quality assurance.

Audit cost

Including staff costs, printing costs and overheads, the estimated cost of the audit is \$200,000.

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Performance auditing

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PERFORMANCE AUDITING

What are performance audits?

Performance audits determine whether an agency is carrying out its activities effectively, and doing so economically and efficiently and in compliance with all relevant laws.

The activities examined by a performance audit may include a government program, all or part of a government agency or consider particular issues which affect the whole public sector. They cannot question the merits of Government policy objectives.

The Auditor-General's mandate to undertake performance audits is set out in the *Public Finance* and *Audit Act 1983*.

Why do we conduct performance audits?

Performance audits provide independent assurance to Parliament and the public that government funds are being spent efficiently, economically or effectively and in accordance with the law.

Through their recommendations, performance audits seek to improve the efficiency and effectiveness of government agencies so that the community receives value for money from government services.

Performance audits also focus on assisting accountability processes by holding managers to account for agency performance.

Performance audits are selected at the discretion of the Auditor-General who seeks input from Parliamentarians, the public, agencies and Audit Office research.

What happens during the phases of a performance audit?

Performance audits have three key phases: planning, fieldwork and report writing. They can take up to nine months to complete, depending on the audit's scope.

During the planning phase the audit team develops an understanding of agency activities and defines the objective and scope of the audit.

The planning phase also identifies the audit criteria. These are standards of performance against which the agency or program activities are assessed. Criteria may be based on best practice, government targets, benchmarks or published guidelines.

At the completion of fieldwork the audit team meets with agency management to discuss all significant matters arising out of the audit. Following this, a draft performance audit report is prepared.

The audit team then meets with agency management to check that facts presented in the draft report are accurate and that recommendations are practical and appropriate.

A final report is then provided to the CEO for comment. The relevant Minister and the Treasurer are also provided with a copy of the final report. The report tabled in Parliament includes a response from the CEO on the report's conclusion and recommendations. In multiple agency performance audits there may be responses from more than one agency or from a nominated coordinating agency.

Do we check to see if recommendations have been implemented?

Following the tabling of the report in Parliament, agencies are requested to advise the Audit Office on action taken, or proposed, against each of the report's recommendations. It is usual for agency audit committees to monitor progress with the implementation of recommendations.

In addition, it is the practice of Parliament's Public Accounts Committee (PAC) to conduct reviews or hold inquiries into matters raised in performance audit reports. The reviews and inquiries are usually held 12 months after the report is tabled. These reports are available on the Parliamentary website.

Who audits the auditors?

Our performance audits are subject to internal and external quality reviews against relevant Australian and international standards.

Internal quality control review of each audit ensures compliance with Australian assurance standards. Periodic review by other Audit Offices tests our activities against best practice. We are also subject to independent audits of our quality management system to maintain certification under ISO 9001.

The PAC is also responsible for overseeing the performance of the Audit Office and conducts a review of our operations every three years. The review's report is tabled in Parliament and available on its website

Who pays for performance audits?

No fee is charged for performance audits. Our performance audit services are funded by the NSW Parliament.

Further information and copies of reports

For further information, including copies of performance audit reports and a list of audits currently in-progress, please see our website www.audit.nsw.gov.au or contact us on 9275 7100.

Performance audit reports

No	Agency or Issues Examined	Title of Performance Audit Report or Publication	Date Tabled in Parliament or Published
213	Aboriginal Affairs NSW Department of Premier and Cabinet	Two Ways Together - NSW Aboriginal Affairs Plan	May 2011
212	Office of Environment and Heritage WorkCover NSW	Transport of Dangerous Goods	10 May 2011
211	NSW Police Force NSW Health	The Effectiveness of Cautioning for Minor Cannabis Offences	7 April 2011
210	NSW Health	Mental Health Workforce	16 December 2010
209	Department of Premier and Cabinet	Sick leave	8 December 2010
208	Department of Industry and Investment	Coal Mining Royalties	30 November 2010
207	Whole of Government electronic information security	Electronic Information Security	20 October 2010
206	NSW Health NSW Ambulance Service	Helicopter Emergency Medical Service Contract	22 September 2010
205	Department of Environment, Climate Change and Water	Protecting the Environment: Pollution Incidents	15 September 2010
204	Corrective Services NSW	Home Detention	8 September 2010
203	Australian Museum	Knowing the Collections	1 September 2010
202	Industry & Investment NSW Homebush Motor Racing Authority Events NSW	Government Investment in V8 Supercar Races at Sydney Olympic Park	23 June 2010
201	Department of Premier and Cabinet	Severance Payments to Special Temporary Employees	16 June 2010
200	Department of Human Services - Ageing, Disability and Home Care	Access to Overnight Centre-Based Disability Respite	5 May 2010
199	Department of Premier and Cabinet NSW Treasury WorkCover NSW	Injury Management in the NSW Public Sector	31 March 2010
198	NSW Transport and Infrastructure	Improving the Performance of Metropolitan Bus Services	10 March 2010
197	Roads and Traffic Authority of NSW	Improving Road Safety: School Zones	25 February 2010
196	NSW Commission for Children and Young People	Working with Children Check	24 February 2010
195	NSW Police Force NSW Department of Health	Managing Forensic Analysis – Fingerprints and DNA	10 February 2010
194	Department of Premier and Cabinet Department of Services, Technology and Administration NSW Treasury	Government Advertising	10 December 2009
193	Roads and Traffic Authority of NSW	Handback of the M4 Tollway	27 October 2009

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No	Agency or Issues Examined	Title of Performance Audit Report or Publication	Date Tabled in Parliament or Published
192	Department of Services, Technology and Administration	Government Licensing Project	7 October 2009
191	Land and Property Management Authority Maritime Authority of NSW	Administering Domestic Waterfront Tenancies	23 September 2009
190	Department of Environment, Climate Change and Water NSW Environmental Trust	Environmental Grants Administration	26 August 2009
189	NSW Attorney General's Department NSW Department of Health NSW Police Force	Helping Aboriginal Defendants through MERIT	5 August 2009
187	Roads and Traffic Authority of NSW	Improving Road Safety – Heavy Vehicles	13 May 2009
186	Grants	Grants Administration	6 May 2009
185	Forests NSW	Sustaining Native Forest Operations	29 April 2009
184	NSW Police Force	Managing Injured Police	10 December 2008
183	Department of Education and Training	Improving Literacy and Numeracy in NSW Public Schools	22 October 2008
182	Department of Health	Delivering Health Care out of Hospitals	24 September 2008
181	Department of Environment and Climate Change	Recycling and Reuse of Waste in the NSW Public Sector	11 June 2008
180	Follow-up of 2003 Performance Audit	Protecting Our Rivers	21 May 2008
179	NSW Office of Liquor, Gaming and Racing; NSW Police Force	Working with Hotels and Clubs to reduce alcohol-related crime	23 April 2008
178	Greyhound and Harness Racing Regulatory Authority	Managing the Amalgamation of the Greyhound and Harness Racing Regulatory Authority	3 April 2008
177	Office of the Director of Public Prosecutions	Efficiency of the Office of the Director of Public Prosecutions	26 March 2008

Performance audits on our website

A list of performance audits tabled or published since March 1997, as well as those currently in progress, can be found on our website www.audit.nsw.gov.au.