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Government processes and the
effective delivery of services:
the Ngaanyatjarra Council and its
Regional Partnership Agreement

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Contents

Introduction.....	1
The Ngaanyatjarra region, its people and institutions.....	1
The Ngaanyatjarra Regional Partnership Agreement	5
Ngaanyatjarra Shared Responsibility Agreements	8
An analysis of a single complex SRA – the Wanarn Store	9
Conclusion	12
References.....	14

Introduction

This paper is the first of three on aspects of Aboriginal remote area public policy to be published by the Desert Knowledge CRC's project 'Desert Services that Work'. Taken together, the papers propose that for improved services in desert settlements centralised administration must be reduced, local community controlled not-for-profit organisations should be strengthened, and this should be done by strengthening regional and local governance. This first paper in the series demonstrates that bureaucratic control of programs for servicing desert settlements is inherently too slow in responding to demand, is inefficient in the application of resources, and is prone to errors introduced through long supply chains. It uses as a case study the Regional Partnership Agreement (RPA) entered into by three tiers of government and the not-for-profit organisation Ngaanyatjarra Council in 2005.¹

In 2004 the Australian Government abolished the Aboriginal and Torres Strait Islander Commission (ATSIC) and announced a policy of whole-of-government service delivery to Aboriginal and Torres Strait Islander settlements. Whole-of-government services were to be coordinated by regional Indigenous Coordination Centres (ICCs). RPAs were proposed as the means to encourage local adaptations in their governance and deliver services within a related framework. Shared Responsibility Agreements (SRAs) were an essential component of RPAs. These required small groups to negotiate changes in behaviour in return for discretionary grant spending (see Cooper 2005, Humpage 2005, McCausland 2005, Sullivan 2007, Strakosch 2009). This paper first sets the scene by briefly describing the region, its people and institutions. It then summarises the RPA with the Western Australian and Australian Governments, analyses why it failed to deliver on its development promise, and concludes by drawing wider lessons for service delivery in remote areas.

The Ngaanyatjarra region, its people and institutions

The Ngaanyatjarra-speaking people live in part of the Western Desert, an arid region of the state of Western Australia where it meets with the borders of South Australia and the Northern Territory. There are about 2000 Ngaanyatjarra people (Brooks & Kral 2007:26–27) controlling some 300,000 square kilometres of land.² The people are possibly the most 'remote' in Australia,³ with their hub settlement of Warburton situated 750 kilometres to the west of Alice Springs and 800 kilometres to the east of Kalgoorlie, by air. The gravel roads that connect them increase this distance. At the local and regional level the Ngaanyatjarra govern themselves through settlement community councils which are aligned with the umbrella service organisation, the Ngaanyatjarra Council. They also

¹ The research for this report could not have been completed without the assistance of Sophie Staughton, Agreements Manager, Ngaanyatjarra Council, who also contributed helpful comments and amendments to the first draft. The Ngaanyatjarra Council General Counsel, Leanne Stedman, helpfully corrected some technical details and offered suggestions on the manuscript. The author is also grateful for the generous time afforded him by the Shire President and the CEO of the Shire of Ngaanyatjarraku, the Community Development Advisers and Chairs of Ngaanyatjarra communities, and the staff and Councillors of Ngaanyatjarra Council. My thanks also to Ruth Elvin of the Centre for Appropriate Technology for an update to the Wanarn story.

² The shire of Ngaanyatjarraku is about 260,000 square kilometres in area. The native title determination area is somewhat larger than this, and the reserve lands held under lease by the Ngaanyatjarra Land Council larger still.

³ 'Remote' and 'Very Remote' are demographic categories in Australia. The Australian Bureau of Statistics produces Indigenous profiles for Very Remote, Remote, Outer Regional, Inner Regional and Major City areas based on the Australian Standard Geographical Classification regions (see Taylor 2006:2,5). Most of the Australian land mass is classified as Remote or Very Remote.

control the Council of the Shire of Ngaanyatjaraku, a municipal government under the Western Australian Local Government Act 1995.⁴ Never subject to settlement for farming or grazing, only minimally impacted by mining and exploration, and subject to mission influence lightly and late, the Ngaanyatjarra are nevertheless structurally embedded in wider Australian society.

When a religious mission was established at Warburton in 1934 (Kral 2007:42–3) many of the oldest people alive today were still living in a traditional manner hunting and foraging in the vicinity of soaks and waterholes within a 300 kilometre radius of the mission. Their parents brought them to the mission mainly because it provided a steady supply of food, and some were educated at the mission or sent to resident schools in Kalgoorlie or Esperance. Taking advantage of a national policy that encouraged local control of Aboriginal issues by incorporated self-help associations (Coombs 1984:25–28) Ngaanyatjarra Council was established by Ngaanyatjarra to gain formal recognition of their traditional ownership of lands, to assist with the return to traditional homeland areas, and to provide services to these settlements, which have now grown into townships. It was incorporated in 1981. Prior to this, and without their involvement, Ngaanyatjarra lands had been declared as land reserved for the ‘use and benefit of Aborigines’ under successive Western Australian land acts. Special administrative provisions and access restrictions applied. The reserve land was leased to the Ngaanyatjarra Land Council in 1988⁵ following the failure of the land rights movement that they had initiated, when the Aboriginal Land Bill was rejected by the Western Australian Parliament in 1984. They have since received acknowledgement of their traditional ownership through successful determinations of native title under the Native Title Act (1993), which regulates the recognition of common law title. Ngaanyatjarra people, then, continue to legally occupy their lands under a variety of non-Aboriginal statutes, each of which confers different rights and responsibilities, and none of which are exclusive tenures, but are deemed to coexist with the rights of other types of tenure holders. It happens in this case that they are also the other tenure holders. This simplified description is nevertheless complex enough to show that Ngaanyatjarra people, whether they care about it or not, are ineluctably bound into the Australian state.

This becomes even more apparent when we consider what institutions the Ngaanyatjarra control to hold title to these lands, to administer and to service them. The principal of these is the Ngaanyatjarra Council. While the state government provides some fundamental services such as schools, teachers and police, most of the services that Ngaanyatjarra require to live in a similar manner to other Australians are provided by Ngaanyatjarra Council, largely with Australian Government grants. It has followed the trajectory of many organisations in the north and centre of Australia, evolving from an unincorporated association agitating for land rights and assisting its members relocate to homelands in the late 1970s and early 1980s. Retaining this role, it expanded also into commercial enterprises mostly servicing Ngaanyatjarra needs, but in some cases holding businesses simply for their investment potential. In recent years it has fallen into the same bind as many not-for-profits in liberal economies, becoming a proxy for government in delivering municipal and essential services, such as maintenance of water and sanitation in communities, and dependent on government for the majority of its income for delivering these services (McGregor-Lowndes 2008:50–52).

⁴ The Shire of Ngaanyatjaraku was incorporated under the Local Government Act 1960 (WA) in 1993 by division of the Shire of Wiluna. The Shire President is non-Aboriginal, but is a resident of long standing with family ties to the community. The Councillors are largely consistent with the Directors of Ngaanyatjarra Council.

⁵ The Ngaanyatjarra Land Council was incorporated separately from the Ngaanyatjarra Council for the purpose of holding the leases over the reserve lands. The board of the Ngaanyatjarra Land Council and the Ngaanyatjarra Council is the same and they meet simultaneously. Ngaanyatjarra Council also has a management agreement as agent for the body prescribed by the Native Title Act 1993 to hold native title, the Yarnangu Ngaanyatjaraku Parnu Aboriginal Corporation, which is required by the Regulations to the NTA to be separately incorporated under the Australian Government *Corporations (Aboriginal and Torres Strait Islanders) Act 2006*.

The other significant organisation servicing Ngaanyatjarra lands is the Shire of Ngaanyatjarraku, which enjoys close relations with the Ngaanyatjarra Council. The Shire was incorporated under the Local Government Act (WA) in 1993 by an agreed division of Wiluna Shire. This excluded from the shire two communities that are serviced by Ngaanyatjarra Council: Cosmo Newberry (in the Shire of Laverton) and Kwirrikurra (in the Shire of East Pilbara). The Chairs of these two community councils are Directors of Ngaanyatjarra Council but do not qualify to be Ngaanyatjarraku Shire councillors. Apart from this the Shire Council is substantially the same as Ngaanyatjarra Council's Board. The Local Government Boundaries Commission that recommended the division of the Shire of Wiluna also proposed that in future, parts of Laverton and East Pilbara Shires be incorporated into the new Ngaanyatjarraku shire (Local Government Boundaries Commission 1992:34–6). Laverton and East Pilbara are unlikely to agree to this, since it would reduce their population and therefore their budget, though a management agreement with each of these shires could be contemplated. The local government services delivered by the Shire are quite limited in comparison to Ngaanyatjarra Council's activities, but there is scope for the municipal services functions that are now the responsibility of each community council (funded by Australian Government grants channelled through Ngaanyatjarra Council) to be taken over by the formal local government body, the Shire of Ngaanyatjarraku.

It is the Ngaanyatjarra Council, rather than the Shire, that provides the bulk of services to Ngaanyatjarra communities. It services 12 communities, each typically about 100–150 kilometres from its nearest neighbour, while the distance between the most western and northernmost is about 1200 kilometres. The original five communities established with the assistance of the Ngaanyatjarra Council are incorporated under the Western Australian *Associations Incorporation Act 1987*. The remaining seven (one of which is not culturally Ngaanyatjarra, but Pintubi), and the Council itself, are incorporated under the Australian Government's *Corporations (Aboriginal and Torres Strait Islanders) Act 2006*. The degree of oversight and the type of regulation varies considerably between these two jurisdictions (usually the Western Australian legislation is lightly administered) but the corporate structure is similar. They both derive from a model of voluntary associations, sharing joint objects or aims, with a membership which elects a governing council and receives reports at an Annual General Meeting. In practice, daily governance of the communities depends on the Chair of the community council, and sometimes one or two key individuals, and their relationship with the staff of the organisations operating in the settlement. Despite its formal constitution, which elects councillors at large from among the membership, the members of Ngaanyatjarra Council have long adopted the convention that the governing board shall consist of the Chairs of each of the community councils. In 2006 the membership also resolved to reserve four positions on the Board of Directors for women. The Council head office is in Alice Springs, about 600 kilometres from the nearest Ngaanyatjarra community, but three-monthly meetings have always been held at one of the settlements on the Ngaanyatjarra lands. At these meetings the business of Council is largely explained by non-Aboriginal staff.⁶ The meetings are polyglot. Council staff speak in English. Discussion is often held in Ngaanyatjarra. The Council staff do not speak Ngaanyatjarra but some Ngaanyatjarra councillors take the role of translators. In general, Ngaanyatjarra speak limited English with one or two notable exceptions. Very few read English with any fluency. The difficulty, however, is not in communication itself, but in the increasing complexity of information and decisions required.

⁶ The Council has employed two experienced Ngaanyatjarra men, one of whom is the Policy Officer. They assist at these meetings, but the boundaries between their roles as staff and as community representatives is not distinct.

In 2008 Ngaanyatjarra Council and its controlled entities reported direct revenue of about \$26m from grants with a total of \$86m in revenue from all sources. However, its expenses are also high. Costs of goods sold (probably mostly service station products), for example, were about \$36m alone. Council's profit for the period was \$625,590. In the previous year the term not-for-profit was ironically applicable as it recorded a book loss of \$531,181. In 2008 consolidated profit for Council combined with its related entities was about \$3m. Some idea of the amount of money channelled through Council, rather than accumulated by Council itself, can be seen in the contrast between its staff wages bill and its payments to CDEP workers. In 2008 Council paid out about \$2m in staff wages and salaries and nearly \$8m in CDEP wages to community members.⁷ In contrast, the revenue of the Shire of Ngaanyatjarraku is a fraction of Ngaanyatjarra Council's, with its entire revenue not much more than Ngaanyatjarra Council's consolidated profit, and its grant income is equivalent to about 14% of the Council's. In 2008 it received \$2,679,223 as a General Purpose grant from the Western Australian Local Government Grants Commission (a body that distributes Commonwealth local government funding to the state), and \$509,996 for Special Projects (Government of Western Australia 2009). These grants are its major source of revenue. Clearly, Ngaanyatjarra Council is a big enterprise and fulfils a considerable role as a state proxy. Some of the Council's income is also recycled public money. One of its most important functions is to provide accountancy, banking, currency transit and security for the communities on the lands. It does this on a fee-for-service basis through its subsidiary Ngaanyatjarra Services, and the fees are met by government grants to the communities. Ngaanyatjarra Services is a separately incorporated subsidiary Aboriginal Corporation under the CATSI Act but its directors are the same as Council. Ngaanyatjarra Services is itself the sole owner of three subsidiary companies, one of which is a trustee company for another entity, and in two of these cases the directors are not the same as those of Ngaanyatjarra Council. Council's building arm, also run by Ngaanyatjarra Services, depends on government for its contracts, but is a commercial operation. Ngaanyatjarra Health, providing primary health care through three clinics on the lands, is a separately incorporated subsidiary entity but with the same directors as Council. Ngaanyatjarra Health contracts management of the health service to a non-Aboriginal company, Sovereign Health. Ngaanyatjarra Air, a trustee company for Ngaanyatjarra Air Trust, is wholly owned by Ngaanyatjarra Council and its directors are the same.⁸ Ngaanyatjarra Agency and Transport Service (NATS), which provides subsidised freight including food supplies through a sub-contractor, is a trust of which Council is the sole trustee and again its directors are the same as Council's. Some of the communities also own enterprises through subsidiaries.⁹

It is clear, then, that Ngaanyatjarra control of service delivery occurs within a complex corporate and financial environment that binds them in to wider Australian societal processes. In fact, they cannot exercise a degree of regional autonomy without at the same time integrating themselves with mainstream processes of corporate regulation and financial accountability to remote suppliers of funding. Nevertheless, their enterprises are neither wholly commercial, nor wholly social. They often depend upon a variety of direct grants. Where they turn a profit they return this to the member communities who are unit holders in the trusts, and they always balance commercial decisions with social benefit for the communities. For example, NATS charges cost price for freight of fresh fruit and vegetables delivered to community stores. The most prominent services that Ngaanyatjarra Council provides, however, are the direct implementation of two large Australian Government

⁷ Ngaanyatjarra Council Annual Report 2008.

⁸ In 2008 Ngaanyatjarra Council began winding up its airline companies, which had not been operational for several years, and commenced selling the aircraft.

⁹ I am grateful to Leanne Stedman, General Counsel Ngaanyatjarra Council, for making this information available to me.

programs. These are the Municipal Services program (MUNS) and the Community Development Employment Projects (CDEP), both now run by the Department of Families, Housing, Community Services and Indigenous Affairs (FaHCSIA). Through direct grants from these two programs Council funds each community council to employ a Community Development Advisor (CDA), a Business Manager and a CDEP Projects officer. The MUNS program ensures essential services such as water, sewerage and power supply, while the CDEP is an employment program substituting for welfare payments, which is being phased out in 2009. Reporting requirements are intricate for both of these programs, particularly for CDEP, and soliciting, managing and accounting for government grants requires a staff of about 150, mainly in the Alice Springs office. Ngaanyatjarra Council's spending on staff salaries in 2008 was about \$2m. These reporting requirements, established in Canberra, often also bring Council's head office staff into conflict, both with its local staff and community members. Government contracts involve meeting implementation and reporting targets. Local staff often have little time or sympathy for these, preferring to make their own assessment of needs based on immediate experience of community priorities. The Council as an organisation, then, often takes a policing role over the communities it ostensibly serves. This is a matter of considerable concern to Council senior staff who often worry that the organisation has been forced to abandon its community origins and compromise its still keenly felt self-determination ideology.¹⁰

The Ngaanyatjarra Regional Partnership Agreement

One aspect of the new arrangements announced in 2004, referred to in the introduction to this paper, was the intention to link SRAs together in complex programs across an entire region under Regional Partnership Agreements (RPAs). The Ngaanyatjarra RPA was the first to be signed. It only achieved the most rudimentary of its objectives, and most of the SRAs proposed under its framework did not proceed. Seizing the opportunity in the post-ATSIC arrangements for regional agreement making, and fearful of losing well-established program funding, the Shire of Ngaanyatjarraku had hosted a meeting with the Associate Secretary of FaHCSIA's Office of Indigenous Policy Coordination (OIPC) at Warburton in 2004. According to a Canberra-based OIPC official, the Associate Secretary was impressed with the cohesion and competence of the Aboriginal councillors, and told his staff to begin the process of establishing the first RPA. The agreement was signed in August 2005. This section of the paper outlines the content of the agreement, before analysing the way that it was applied in practice.

A large part of the agreement was about the establishment of a framework for cooperation in development funding. It was 'an overarching framework for the Governments and Council to work together' (S 1.3) and it was 'intended to be a statement of the mutual intentions of the Parties and is not intended to give rise to any enforceable rights or binding obligations on the part of any Party' (S1.4).¹¹ Nevertheless, the agreement did identify four specific projects to be undertaken. A good deal of the text concerns principles and statements of intent. This indicates a lack of clarity, and possibly a lack of consistency, about what each of the parties hoped to achieve with the agreement. The multiplicity of principles, originating from different parties to the agreement, also indicates how each of them feared the agreement may be misused or misconstrued.

¹⁰ Similar concerns have been expressed in the not-for-profit sector elsewhere, particularly in Britain where the Blair government reduced the independence of the community sector through contractual arrangements it labelled 'compacts' (see Ball 2006, Edgar 2008).

¹¹ An identical clause appears in each Shared Responsibility Agreement.

The Key Principles of the agreement (S1.5 to 1.8.8) fall into three parts. There are those principles that the Ngaanyatjarra parties wanted to uphold (S1.6); there are the COAG National Framework principles from June 2004, which both the Australian Government and the state of Western Australia were committed to; and then there are some further principles and commitments of no obvious provenance (S1.8). Since there are some twenty-seven listed principles, it could be a lesson for future agreements that the moral power of principles is diluted as they multiply. The Objectives (S.2) are somewhat more concrete and can be summarised as follows:

- That governments and Ngaanyatjarra Council will work together to achieve improvements for people living on the Ngaanyatjarra Lands¹²
- To improve coordination and resources to get better results in the seven nominated COAG priority areas
- Mainstreaming
- Cutting ‘red tape’
- Undertaking a ‘Strategic Investment Plan’.

All of the above were to be achieved through SRAs or Service or Funding Agreements which would themselves identify the parties’ commitments to:

- sustainability and development
- all parties being capable in all aspects of agreement making, implementation and evaluation
- supporting local governance
- learning and applying the lessons learned.

Part Three of the RPA was concerned with representation, roles and responsibilities. There was a good deal on representation of Ngaanyatjarra people, then the roles and responsibilities of each of the parties to the RPA were more briefly outlined. In the sections concerned with roles and responsibilities Council was given the umbrella functions of facilitating agreements, including SRAs, and activities that arise from them. The Shire’s responsibility, apart from a reiteration of its normal functions, was to assist with SRAs that directly relate to Shire core business (S3.2 to 3.5.3). The Kalgoorlie ICC was identified as the primary point of contact for the Australian Government and a Regional Managers forum convened by the Department of Indigenous Affairs for the state. This forum also provided a link for Council with the state Director Generals Group (effectively Departmental Secretaries). From the perspective of Council this mechanism did not work well in the operation of the RPA. Ngaanyatjarra staff complained that issues brought to the forum were not followed up between meetings, commitments given were not met, and discussions tended to be repetitive and without progress. This raises the question of the ability of agreements such as this to persuade government staff to prioritise RPA business among their other competing tasks. Ultimately, this rests on the governments’, particularly the state government’s, need for a pay-off from the agreement. Of course, Aboriginal development should itself be a pay-off, but lack of development is not in itself much of a penalty for governments (see Sullivan 2009). Once an RPA is signed and announced governments have got all they are going to get from it. The rest, if government were to take a purely selfish perspective, is all pain and no gain. Although at the outset of the new arrangements in Aboriginal and Torres Strait Islander affairs attention was paid to the need to

¹² References to ‘governments’ in the agreement include the local government Shire of Ngaanyatjarraku.

rigorously call public servants to account, in practice this has amounted only to a continuation of previous procedures for benign and opaque self-policing.¹³

The Outcomes and Priorities in Part Four of the RPA committed the parties to four projects.¹⁴ None of them were achieved with any significant measure of success. Project One required all parties to investigate their current capacity to meet the terms of the RPA and make structural changes as necessary.¹⁵ Project Two concerned the establishment of the RPA's management and implementation arrangements. Project Three aimed for the reduction of 'red tape'. Project Four required the development of a Strategic Investment Plan with a twenty- to thirty-year vision. Capacity analysis was superficial and no major structural changes eventuated. The management and implementation arrangements proved frustrating to all parties. Indeed, they were widely perceived to have produced more 'red tape', undermining Project Three. The Strategic Investment Plan, though begun by a consultant with some preliminary gathering of data, was not followed through. Perhaps because the RPA was complex, wide-ranging and ambitious, these projects, which should have been the central focus of the efforts of all parties, became peripheral and largely disregarded as the original intentions of the RPA faded over its three-year lifespan. These projects were not integrated with another major intention of the RPA, which was to deliver new or consolidated sources of development funds through negotiated SRAs, which receive attention below.

Parts Five and Six of the RPA concerned performance measurement, evaluation and dispute resolution. Part Seven terminated the RPA on June 30th 2008. It was extended for six months and then lapsed. At least one of the SRAs, the Wanarn store project which is described below, triggered the escalation procedure in the dispute resolution clauses. However, this happened too late in the life of the RPA to have any effect. An evaluation of the RPA was commissioned by the Agreement Coordinators Group in early 2008. This summarised the RPA in this way: "As the first RPA in Australia, the details, underlying concepts and processes were evolving and developing for all the partners. As a result there were unexpected changes in policy, misunderstandings between the partners and a disconnect between the decision makers and the people at the negotiating table. It is not surprising that it has been difficult to reach a shared understanding of some of the underlying concepts such as 'mutual obligation' and for government to make any substantial change to implement their 'whole of government' and 'harnessing the mainstream' approaches (Dixon Partnership Solutions 2008:2)." It concluded that a 'most significant outcome' was that the partners wanted to start afresh (Dixon Partnership Solutions 2008:3).

The requirements of the RPA were to be carried out either by negotiated SRAs or by service or funding agreements. The Ngaanyatjarra Community Planning Unit, set up with RPA funds, saw its task as brokering SRAs between settlements or families and the service agencies brought on board by the regional ICC. No SRAs were brought to completion during the term of the RPA and a consideration of the reasons for this follows below. The RPA did deliver some stability and increased funding to Ngaanyatjarra Council during a period of uncertainty in the new policy environment. Primarily, it continued the threatened municipal service funding for the three-year period, though

¹³ For example, the evaluation report commissioned by the Agreement Coordinator's Group at the conclusion of the RPA did not robustly identify failures and allowed as measures of success programs that were not part of the agreement itself (the Education, Training and Lifelong Learning Framework Agreement and the Central Australian Petrol Sniffing Strategy).

¹⁴ In addition, there was a commitment to develop an Agreements Development Plan, linked to the Strategic Investment Plan required in Project 4, which included SRAs.

¹⁵ Tacked on the end of this project's description is a commitment of the state to provide telecentre facilities. It is not clear that this has had any more priority than it would have been accorded in the usual course of business by the relevant stage agency.

when it lapsed the threat to discontinue this re-emerged. It also provided some needed staff positions for Ngaanyatjarra Council, boosting somewhat its community presence and Aboriginal employment. It cannot be said that it delivered any benefits to the governments involved in terms of changed behaviours in the communities or enhanced structural arrangements for service delivery or representation.

Ngaanyatjarra Shared Responsibility Agreements

Among a dozen SRAs for the Ngaanyatjarra lands planned and brought to various stages of completion only three were ever signed by the parties. Two of these were successfully delivered. The third, which is discussed at length below, is scheduled for completion in 2010, long after the expiry of the RPA. The two successfully concluded SRAs were programs or activities already in existence. One of these completed SRAs was an agreement to continue FaHCSIA's municipal and essential services capacity funding for the term of the RPA, with a one-year guarantee to meet the rising costs of diesel fuel, which is used for electrical power generation. The other was the Warburton Youth Arts young adult's media program. This was funded by the Department of Education, Science and Training (DEST) to provide post-secondary training. Neither of these need have been packaged as SRAs; they could have been simply allocated as program funding. Nevertheless, the RPA did provide some leverage to secure the three-year municipal funding and diesel price guarantee. Neither of the two SRAs involved very significant behavioural change on the part of the community. Indeed, during the negotiation of the RPA, Ngaanyatjarra Council successfully argued that Ngaanyatjarra people should receive credit for the considerable adaptation and contribution to local social services that they had already achieved.

During the course of the RPA, further SRAs were planned with each of the 12 Ngaanyatjarra communities. Two of these, at Wingellina and Kiwirrkurra, were not actively pursued because community representatives declared they lacked the capacity to fulfil them. Among the other communities usually more than one SRA was discussed or planned to the stage of submission to the ICC. None of these were successfully concluded. The Community Planning Unit (CPU) of Ngaanyatjarra Council, funded by the RPA, negotiated the SRAs with the 12 communities, and also with families within these communities. SRAs were described in the Ngaanyatjarra language as *Ngapartji Ngapartji* agreements (you give something, I give something). Towards the end of the RPA's term this phrase was sometimes uttered by the local people with a tone of disappointment and derision. Inevitably this was largely directed towards the CPU manager, who was first in the firing line. If there was fault here, it was believing too enthusiastically that the RPA would ensure a fast track to government grant programs, and communicating this enthusiasm to community members.

Community consultations tended to start from a 'blank slate'. They were constructed using a template that conformed closely to SRA requirements, with equal attention given to the government's terms for the agreement as to the community's requirement for benefit. When they had elicited projects that resonated with the community, or in some cases groups and individuals within the community, the CPU staff packaged this into an agreement that included community commitments as well as the services required. This was delivered to the ICC. The ICC started from a different premise. It had very little discretionary funding. It worked in an environment of multiple pre-existing government programs, which were responsive to national policy priorities. As the ICC attempted to negotiate 'buy-in' from other agencies, this necessarily involved adapting the proposal to their priorities. This was slow. The ICC did not have the authority to require rapid turn-around of requests, and was itself strapped for resources in covering an area significantly larger than the Ngaanyatjarra lands. There were often incommensurate timelines as well as funding sources. A request would arrive at an

inopportune moment of the funding cycle for one agency, while another would find itself with unexpended funds at the same time. Patching together these inconsistencies often involved personnel in several agencies and locations from the local to the national centre. During this policy period there was also a change in Ministerial priorities and some agencies were actively developing new programs.

Inevitably, this meant that the ICC returned to the community, after considerable delay, either with a somewhat different proposal, or with a request for the community to re-cast it in the light of potential funding sources or a new policy emphasis. It is in the nature of public administration processes that the reasons behind this were not transparent, since the gap between the public espousal of rational policy and the pragmatic process of ad hoc 'on the run' program delivery is potentially embarrassing. This was frustrating for the community workers, who were usually left speculating about remote and mysterious processes at every step in the SRA while at the same time being required to account for these to the community. Regular meetings of the Regional Partnership Committee and the Agreement Coordinators Group did not increase transparency or do much to break down barriers to cooperation (see Dixon Partnership Solutions 2008:13–14). The public servants, for their part, were exasperated at the lack of understanding or sympathy for the constraints that they worked under, and a perceived lack of gratitude for efforts to at least deliver some form of advantage to a community. Misinterpretation and crossed purposes led often to mutual suspicion and antagonism just below the surface of an otherwise formal relationship between the two.

The Youth Arts SRA reached its term, was positively evaluated, and then taken up by a different government agency, the Attorney General's Department, and given a juvenile justice rationale, though the project remained essentially as it was originally conceived. Municipal and essential services funding was delivered. Though FaHCSIA was firm that it should cease in July 2008, to be replaced with new arrangements under a bilateral agreement with the state government, this has proved impractical so far. The third SRA, the Wanarn store, absorbed a good deal of the effort of Ngaanyatjarra Council, but could not be delivered during the life of the RPA. Learning from the three signed SRAs, the two that were completed and one that failed to deliver, the conditions for the success of SRAs can be identified. Firstly, a clear and uncomplicated project, already in existence in some form was the major factor in brokering a successful funding agreement. Conforming to clear policy goals that are adaptable to local conditions is a further condition for success. The process is made much simpler if there is only a single funding agency involved. It is an indication of the failure of whole-of-government service delivery that these are also the conditions for successful funding without resort to an SRA.

The Wanarn SRA had none of the conditions for success identified above. The SRA was for the building of a new community store and refurbishing the existing store as a youth centre. Ultimately the major funding agency, Indigenous Business Australia (IBA), was unable to provide the necessary infrastructure loan and attempts to find alternative sources of funding to supplement it were unsuccessful until well after the RPA had terminated.

An analysis of a single complex SRA – the Wanarn Store

The Wanarn community has grown since its founding in the early 1980s from about 20 or 30 persons to about 150 (Brooks & Kral 2007:27). This figure does not include staff of the aged care centre, clinic, school, community and Ngaanyatjarra Council, a significant augmentation. The aged care centre attracts many visitors. These swell the population to over 700 persons when there is a funeral. The original store is too small and does not meet current hygiene standards. As well, the provision of a larger school has encouraged a large population of young people who have no facilities outside of

school hours and in school holidays. During 2004 and 2005 the Wanarn Community Development Advisor (CDA) discussed with Ngaanyatjarra Council a plan to build a new store and convert the old one for youth activities. It was also proposed that it house the Broadcasting for Remote Aboriginal Communities Scheme (BRACS) equipment allocated, but not delivered, by Ngaanyatjarra Media, since it has the only secure lock-up premises. In the past this proposal would have been assessed by ATSIC and, if approved, funded largely under the Community Housing and Infrastructure Program (CHIP). In the new policy environment, Ngaanyatjarra staff advised the CDA to package the new infrastructure and redevelopment of the existing store into an SRA. The SRA was signed at the same time as the RPA in August 2005. The signatories were the Australian Government, State and Local Governments, the Ngaanyatjarra Council and the Wanarn Community. Other government or semi-governmental agencies essential to the provisions of the agreement, such as Lotterywest and IBA, were not signatories to the agreement. Progress of the SRA took many twists and turns, reaching a crisis point when IBA refused the application for a loan to cover approximately half of the establishment costs. This put in jeopardy other applications being made to Lotterywest and the Goldfields–Esperance Area Consultative Committee (GEACC) for the bulk of the remaining costs. The outline that follows will attempt to draw out lessons from the SRA, and in the process describe many aspects of the agreement, rather than follow its unsuccessful development chronologically point by point.

Initial delays in the application were caused by a lack of clarity on how to further the application through IBA, and whether the community or the ICC was responsible for doing this. A small amount of money was sourced from the Department of Employment and Workplace Relations (DEWR) for a scoping study, and the community itself funded a business assessment by Deloitte following the lengthy delay and poor quality of the state government-funded plan through its Office of Aboriginal Economic Development (OAED). Ultimately, responding on 29 June 2007, nearly two years after the SRA was signed, IBA rejected Deloitte's assessment and determined that the community had no ability to repay even a low interest loan over a reasonable period. In the meantime FaHCSIA (OIPC) had committed funds for the relocation of the community's fuel bowsers to the new store location, the Department of Health and Aging (DoHA) had committed funds to a food hygiene training facility, and Ngaanyatjarra Media had allocated equipment to be located within the proposed youth centre. Also, the Shire had formally found the existing store in breach of hygiene standards.

The community was unable to progress the Lotterywest partnership until the results of cross-funding from IBA were known. With the failure of this application, an application to Lotterywest was unlikely to succeed. The community also attempted to access the Department of Transport's Regional Partnerships program funding through its GEACC. The GEACC committee's response to this approach was to require an indication of state government buy-in, in addition to any possible Lotterywest component. The WA Department of Local Government program recommended for this component, however, receives applications only once a year and the deadline had passed for 2007. Subsequently the Regional Partnerships program received an extremely unfavourable report from the Australian National Audit Office, indicating the success of applications was subject to considerable ministerial discretion without clear guidelines (ANAO 2007). No attempt had been made by the community to secure the support of WA's two Australian Government ministers for this application. This is an indication of a lack of understanding of political nuance inevitable with the community's isolation. Ngaanyatjarra Council offered in-kind support in subsidising building and transport of materials.

Clearly it was beyond the ability of community workers to patch together the supplementary funding from such a diverse range of programs. This was partly because of staff turnover both at Wanarn and at Council. It also appears to have been beyond the capability of the ICC, and this is a more

significant indication of the low performance of complex SRAs. The ICC should have been able to broker government input. This case also shows how failure of one central component of an SRA can lead to failure of the whole project. In hindsight, IBA was probably not a good choice as the central source of funding. It was in the process of establishing itself as a commercially oriented promoter of Aboriginal and Torres Strait Islander private enterprise. The Wanarn store is a cooperative that necessarily turns a profit, but whose purpose is social rather than economic. If the Wanarn store had been established on commercial lines it would have been setting aside provision for the replacement of the building as it depreciated, but in the circumstances of the community's extreme poverty and need this is very difficult. Nevertheless, Ngaanyatjarra Council staff are working to change community expectations so that 'breaking even' is more correctly perceived as running at a loss, though there is a limit to the amount of profit that can be generated from a community in these circumstances. Nevertheless, with the abandonment of the CHIP program, IBA appeared to be the only alternative.

At the same time IBA senior staff were negotiating a new model of involvement in community stores. It established a subsidiary called Outback Stores. The Board of this subsidiary has experience with non-Aboriginal national supermarket chains. Responding to a report from the National Rural Health Alliance (2006)¹⁶ that low quality expensive food was a principal reason for poor health in remote communities, Outback Stores is in the process of introducing economies of scale by establishing control of widespread supply chains. Probably to encourage this, IBA has instituted a policy that it will not invest in new stores or the renovation of existing stores unless store management is ceded to Outback Stores. In its letter of rejection IBA advised Wanarn to contact Outback Stores to progress its project. At a meeting with executives of Outback Stores at Wanarn on 18 August 2007 it became clear that this was an inappropriate referral. Outback Stores does not provide infrastructure. It does require control of policy on staffing, stocking and pricing. As a previous CDA at Wanarn pointed out during the course of this research, the community store is the heart and soul of the community; relinquishing control is to relinquish a part of the community's identity. In any case, fresh food and reasonable prices were already a feature of the store, and the use of Ngannjatjarra Council's NATS not only subsidised transport but returned a share of profits from freight to the community. Outback Stores executives agreed that Wanarn was not a suitable community for its program.

The lesson to be learned from this is that problems arise when well-meaning policy is formed remotely in a way that cannot be appropriate to the diversity of local circumstances. Certainly there are Aboriginal communities where fresh produce is rare and expensive. The National Rural Health Alliance no doubt felt it was contributing to Aboriginal wellbeing by insisting that this problem be addressed nationally. IBA certainly has a rational basis for believing that commercial models of finance and material supply chains, working efficiently in the non-Aboriginal context, will provide improvement in Aboriginal communities. In the case of Wanarn, and probably also all Ngaanyatjarra communities, these assumptions are wrong. The conclusion must be that policy should be formulated only in the broadest terms at the higher levels of government, but implemented flexibly at the local level to meet local circumstances. In this case it would only have been necessary to formulate the policy aim of improving food quality and availability, while the means for doing so should have been left to local alliances.

¹⁶ The National Rural Health Alliance is a lobby group with a membership of health-related national NGOs that aims to achieve equality in health standards between rural and metropolitan Australia; see <http://nrha.ruralhealth.org.au/?IntCatId=14>

The outcome of this highly rational procedure of bringing together a range of partners in agreement under the SRA, and allowing them to respond to it in terms of policy formulated at the highest levels of their agencies, is that the Wanarn community still feeds itself from a store condemned on hygiene grounds and inadequately stocked for the size of the community.¹⁷

Conclusion

This discussion of the Ngaanyatjarra RPA and SRAs illustrates the contention outlined at the beginning of this paper that central control of programs for servicing desert settlements is inherently too slow in responding to demand, inefficient in the application of resources, and prone to errors introduced through long supply chains. It is important to draw lessons from this experience because the people of the Ngaanyatjarra region, and the Ngaanyatjarra Council, face significant challenges in the years ahead. Changes in government policy are the most immediate of these. FaHCSIA has a consistent aim of divesting itself of responsibility for funding municipal and essential services. Following the expiry of the RPA an attempt was made to deliver MUNS program funds directly to each community, though this proved impractical. In the long run the Shire of Ngaanyatjarraku and the state government will take control of municipal and essential services.¹⁸ The CDEP program is also now in its wind-down phase with new entrants required to register as mainstream Centrelink clients with a reduced benefit. The CDEP program has been used by the Ngaanyatjarra Council as one of its principal forms of community administration, with an effective income management program that deducts housing rents from community members, contributions to communal savings schemes, and retirement savings. It has also been a flexible means of mobilising a communal workforce and subsidising with community labour a range of development activities and arts enterprises, with about \$8m paid in CDEP wages in 2008. This will no longer be possible. These two programs make up a significant proportion of Ngaanyatjarra Council's revenue, which is highly reliant on Australian Government funds. In its 2008 Auditor's Report attention is brought to the threat to Council from failing to meet all of its reporting requirements. In the normal run of things this would result in the withdrawal of funds in future years. Council staff are confident that this will not happen as there is no credible alternative supplier, but this may be over-confidence amounting to complacency.

Since the election of a Labor government in 2007 SRAs have been consigned to the dustbin of history, while RPAs continue to be signed but are no longer the centrepiece of Aboriginal and Torres Strait Islander affairs policy. Nevertheless, the underlying philosophy of the radical change of direction in 2004 remains. This is a commitment to 'normalisation'. Essentially this policy, which will be discussed in more detail in a later paper in this series, intends that remote area Aboriginal and Torres Strait Islander communities will receive services and achieve benchmarks broadly in line with non-Indigenous people in settlements of similar size elsewhere in Australia. This is a positive intention, but at present a corollary is that these services will be delivered as far as possible in the

¹⁷ Grant funds were finally approved in 2009. They consist of contributions from the WA Department of Local Government, Lotterywest, FaHCSIA and the Department of Health and Aging. Construction of the new store is scheduled to be completed in early 2010. The old store is still intended as a youth centre.

¹⁸ The National Partnership Agreement on Remote Indigenous Housing (which includes essential services) states that the Australian Government will continue funding some municipal and essential services 'pending the development and take up of agreed funding responsibilities with the States and Northern Territory'
http://www.coag.gov.au/intergov_agreements/federal_financial_relations/docs/national_partnership/national_partnership_on_remote_indigenous_housing.rtf.

same way as in other parts of Australia. Inevitably this means a greater role for state governments and, in many cases, local governments. This policy approach, which aims to reinvigorate federalism, extends beyond Aboriginal and Torres Strait Islander affairs and can be understood as a core commitment that it will be difficult to persuade governments to resile from. Nevertheless, in Aboriginal and Torres Strait Islander affairs, it should be reconsidered. This study of the Nganyatjarra RPA indicates it is ineffective and costly because of the inability of bureaucratic administrations to effectively deliver services in complex environments. This is not a failure of individual bureaucrats, nor a failure of political commitment, it is a structural consequence of the way that public administration necessarily works. Even highly skilled and committed bureaucrats cannot escape the fundamental flaw in the current approach to delivery of services to remote communities. This is the inevitable distortion introduced into rational program delivery with every increase in administrative distance. Administrative distance is far more than geographical distance. Distance between the site of services and the political centre of decision making is increased by the number of stops any item has to traverse along its route. Bureaucratic way-points do not often add value to the bureaucratic product; more often they burden it to the point of unusability. The more desks a report or direction must cross before it can be understood or implemented, the more the opportunity for delay and distortion of purpose along the way.

This effect is magnified when a policy or service requires lateral coordination across the various chains of command in each government agency, and of course increases with the proliferation of those chains of command under a policy of 'normalisation'. It can only get worse with the inclusion of state governments as priority service deliverers. There are many reasons that state governments are inappropriate vehicles for remote area Aboriginal and Torres Strait Islander development. Here only one point is made: if there is inevitable distortion and delay introduced into service supply chains the more administrative distance that interventions have to traverse, then the involvement of yet another layer with the involvement of state bureaucracies can only make matters worse. This is not to say that state and territory governments should have no role to play. They should play the same role as, ideally, the Australian Government should. They should lay down the desired policy objectives and provide the necessary resources. Implementation of development plans should be carried out by local and regional organisations under the general oversight of government. There is a long-established network of local and regional service organisations in remote Australia, of the same general pedigree as the Ngaanyatjarra Council and working under many of the same constraints. It is no longer an ideological imperative, but a matter of practical common sense and parsimony, that they should be properly resourced to plan, administer and evaluate development services. Equally, Ngaanyatjarra Council must renew itself to meet this challenge, an opportunity lost during the period of the RPA. This network of service organisations, the Aboriginal and Torres Strait Islander sector, is described more fully in the second paper in this series, while the third revisits these concluding remarks with an examination of the future of the policy of normalisation in Aboriginal and Torres Strait Islander affairs and the need for shortening and narrowing the supply chain for Aboriginal and Torres Strait Islander services.

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