

Challenges and outlook



A lack of certainty regarding operational and funding continuity, together with some service provider compliance issues, contributed to significant challenges experienced this year.

Operational continuity

The financial year 2019-20 ended with the terms of appointment for Commissioner Williams, 29 Local Commissioners across the five welfare reform communities and members of the FR Board expiring on 30 June 2020. As at the commencement of the 2020-21 year, no significant appointments to the FRC or the FR Board had been made pursuant to section 15 of the FRC Act. Subsequently the Commission commenced the year without a Chief Executive Officer (the FRC Commissioner), Local Commissioners or a current Board.

It is understood the delay in statutory appointments was not exclusive to the Commission, and that the pandemic adversely affected Governmental administrative processes. The delay, however, resulted in the necessity for the Registrar to advise the FR Board and the Legal Affairs and Community Safety Committee (who had gained oversight function to monitor and review the FRC on 21 May 2020) that pursuant to section 35 of the FRC Act duties would be limited to administrative functions only. Financial decision-making powers were likewise compromised, and Commissioner Williams and the Local Commissioners were stood down until the receipt of an instrument of appointment. Official advice was received on 2 July that the Governor in Council had made the required significant appointments to the FRC to allow for the resumption of operations for the term 1 July 2020 to 30 June 2021.

Local Commissioner appointments

In May 2021 the Commission sought approval from DSDSATSIP for the appointment of new Local Commissioners for the communities of Aurukun, Doomadgee, Hope Vale and Mossman Gorge. Twelve new Local Commissioner applications were forwarded for consideration to mitigate natural attrition and to target more appropriate gender and age diversity.

Section 50A of the FRC Act allows for a conference to be constituted by three Local Commissioners.

“Constitution of Commission for particular conference

- (1) *If the Commissioner considers it appropriate in the circumstances, the Commissioner may, for a particular conference, direct the Commission to be constituted by 3 Local Commissioners appointed for the welfare reform community area in which the Commissioner considers the person the subject of the conference lives or lived.”*

This is a particularly crucial section of the FRC Act which allows for Indigenous authority to be exercised in order to meet one of the FRC Act’s main objects – “...to support the restoration of socially responsible standards of behaviour and **local authority** in welfare reform community areas...”.

The Commission experiences difficulties on frequent occasions, particularly with Mossman Gorge and Coen, in securing the attendance of three Local Commissioners to meet the requirements of holding s50A conferences or to ensure there is sufficient diversity amongst the pool of Local Commissioners currently appointed in regard to gender, age, clan affiliation and expertise.



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DSDSATSIP advised at the FR Board meeting held on 4 May 2021 that the Commission's advice about the proposed nominations of additional Local Commissioners, and operational risks should no additional appointments be made for the 2021-22 financial year, were noted. DSDSATSIP further advised that subject to a new MoU being agreed between the Queensland and Australian Governments, new appointments may be considered in the first quarter of a new FRC funding term. As of the date of this report, the MoU for the 2021-22 financial year is yet to be finalised, and no additional Local Commissioner appointments have been made.

The Commission considers it crucial that not only should natural attrition be matched by recruitment, but new appointments should be made in order to maintain operational efficiencies, support business continuity and client engagement, and promote local Indigenous authority for the reasons outlined throughout this report.

Domestic and family violence

The Commission has seen a gradual increase in the receipt of DV order notices and DV breach notices within jurisdiction during this reporting period.

Domestic violence notices within jurisdiction	2019-20	2020-21	% change
DV breach notices within jurisdiction	78	118	+51%
DV order notices within jurisdiction	173	226	+31%
Total	251	344	+37%

This increasing trend is of concern to the Commission, noting the detrimental impact on children and vulnerable community members. The reader is referred to table 5 and discussion on pages 28 to 29, whereby clients named on notices relating to court convictions and domestic violence orders/breaches were more likely to also be named on notices relating to education and child safety issues. The seriousness of these matters has caused the FRC to take a priority approach with DV related matters for conferencing. This has led to a corresponding increase in referrals made to support services.

Domestic violence referrals	2019-20	2020-21	% change
Referrals from conferences where both a DV breach and a DV order notice was heard	3	5	+67%
Referrals from conferences where only a DV breach notice was heard	15	23	+53%
Referrals from conferences where only a DV order notice was heard	56	82	+46%
Total	74	110	+49%

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Service provider compliance with information and reporting requests

The Commission has a legislative mandate to receive information from support services in order to monitor case plan compliance and progress, and further assist the Commissioners to make appropriate decisions. Part 8, Information exchange, of the FRC Act defines the information which can be requested by the Commissioner, and from whom this information can be requested, including community support services that are attended by a person under a case plan.

It is also a requirement under section 35 of the FRC Act for the Registrar to monitor and report on a person's compliance with a case plan to attend a community support service under an agreement or order. The Commission seeks information from service providers via a user-friendly online portal through which service providers are requested to provide information on their attempts to engage the client, the client's attendance at the service, and assessment of progress made under the case plan. Training is provided in the use of the portal. Emailed requests are sent monthly from the Commission to service providers for progress reports for specific clients at key stages of case plans.

Unfortunately, during the 2020-21 financial year reports from some service providers remain outstanding or are of such poor quality that it provides minimal value to Commissioners in their decision-making, thus impeding the effectiveness of case plan referrals and monitoring of client progress and/or compliance.

As summarised in the Queensland Productivity Commission's 2017 Summary Report into Service delivery in remote and discrete Aboriginal and Torres Strait Islander communities, *"Service delivery in remote and discrete communities is a complex 'system' of policy design, governance, funding and direct service provision, with responsibilities shared across all levels of government"*. The reforms identified and sought by the Queensland Productivity Commission required capability and capacity building within government, service providers and communities to *"support a new way of doing things – independent oversight, as well as timely and transparent data collection and reporting to ensure performance and accountability"*.

The FRC notes its client referrals to support services have increased exponentially in the last two years (since 2018-19 by 541 percent). As in previous years, the greatest number of referrals are to the wellbeing services in each community, School Attendance Officers and support services for budgeting assistance. The pressure upon these support services is understandable with the increased workload, and the Commission anticipates that referrals will maintain the increasing trend during the 2021-22 year. The Commission is concerned about the capacity of service providers to provide appropriate reporting outcomes in relation to Commission referrals. Service providers have reported insufficient resourcing and staffing levels on current funding arrangements to absorb the increase of FRC clients on mandatory case plans and to address the recording of case management outcomes (required by the FRC Act).

The Commission will continue to strengthen relationships with support services through the drafting and negotiation of MoUs, and the provision of additional training in the use of the FRC portal.



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A going concern

Each year, as part of the preparation of the Commission's financial statements, the responsible person (FRC Commissioner) is required to undertake an assessment as to whether it is appropriate to prepare the financial statements on a going concern basis. This requires the FRC Commissioner to contemplate the continuity of a significant portion of normal business activities and the realisation of assets and settlement of liabilities in the normal course of business for a minimum of 12 months from date of signing of the financial statements (which usually occurs in August of each year for the preceding financial year ending in June). In making the assessment of continuity, the FRC Commissioner needs to consider future funding to be received, the term/s of such funding and any conditions or changes anticipated that will significantly impact operations. Where this information is not available to inform such decisions, the Commissioner may be required to 'not prepare' the financial statements on a going concern basis.

On this basis, the Commission finalised its financial statements for the 2020-21 year on a going concern basis. This disclosure can be found at Note 1(i) on page 7 of the financial statements in this annual report. The Commission has been aware of material uncertainties and making the necessary disclosures since the 2015-16 year.

An additional consequence of the above, is that the Queensland Audit Office has issued the Commission with an 'Emphasis of Matter' audit opinion referencing the material uncertainty related to going concern since the 2017-18 financial year.

The strategic and operational challenges experienced by the Commission's EMT in managing a going concern environment for the past four years has led to a conservative approach being exercised in relation to expenditure and commencing any significant projects.

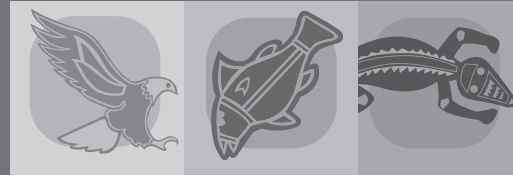
On occasion, the Commissioner is required to enter into agreements which bind the Commission into the future. Agreements include various contractual obligations including office leases, motor vehicle leases and staff accommodation, as well as contracts to address pressing operational requirements. Long-term strategic and operational planning has been inhibited by the uncertainty of continuing government funding, and the term of such funding.

Funding uncertainty and a review

In October 2014 the Queensland Parliament passed the Family Responsibilities Commission Amendment Bill 2014, with the Bill receiving Royal Assent on 27 October 2014. The policy objective of the Bill was to make the necessary amendments to the FRC Act to extend the operation of the FRC beyond 1 January 2015. Among other amendments aimed at increasing efficiencies and expanding operations, the FRC Act's sunset clause (s152) was removed, enabling the FRC Act to continue indefinitely until repealed. With this significant development the Australian and Queensland Governments commenced documenting their agreed basis for funding, administrative and reporting arrangements for the operation of the FRC in an MoU.

Unfortunately, each MoU has been for relatively short periods from six months to two and a half years – short term at best – exacerbated by delays in execution and release of funds. Long-term strategic planning has been inhibited by the uncertainty of continuing government funding (and the term of such funding) which has adversely impacted staff retention and operational performance, caused in part by the lack of willingness of community partners to prioritise service delivery to FRC clients in this climate.

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This is in contrast with the recent performance outcomes the FRC has achieved since 2019-20 and continues to build upon. The Commission has had the benefit of a relatively stable operating environment afforded through the funding commitment under the most recent MoU term of two and a half years. During this period client referrals from FRAs and Orders to support services for the 2019-20 financial year increased by 396 percent from the previous reporting period; an upward trend which has continued throughout 2020-21.

The Commission's strategic partners in welfare reform – the Queensland Government, Australian Government and CYI – continue their discussions on the future of welfare reform and the FRC. Currently there is no MoU between the parties beyond 30 June 2021, however, there is also no stated intention to cease operations of the Commission. The Australian Government has released advice stating its support for an extension of the Commission for a period of three years to 30 June 2024, whilst the Queensland Government has confirmed an extension of twelve months to 30 June 2022.

The Commission has been advised by the Honourable Craig Crawford MP, Minister for Seniors and Disability Services and Minister for Aboriginal and Torres Strait Islander Partnerships of an upcoming independent review that DSDSATSIP will be commissioning of the FRC, including the governance mechanisms provided by the FR Board during the extension period to inform decision-making on the future of the FRC. The Minister further advised, *“The review will include community engagement with the FRC, its clients and other community members in each of the five Welfare Reform communities, as well as local service providers, to ensure the outcomes of the review are reflective of community views, aspirations and needs. Broader stakeholder engagement will be undertaken with notifying agencies and the National Indigenous Australians Agency (NIAA) and Cape York Institute (CYI)”*.

The Commission looks forward to assisting with the review as deemed appropriate and recognises the importance of ensuring that its strategic objectives are able to reflect changing social dynamics and take advantage of opportunities to more fully address and/or expand its mandate. The FRC's model is governed by a unique legislative framework which enshrines Indigenous self-determination. It is a key initiative enabling tangible and measurable outcomes in keeping children safe, impeding the escalation of serious offending behaviour, improving social responsibility and restoring local Indigenous authority as attested to in the Significant events and achievements section of this report. It is a scalable model suitable for expansion into other communities that recognise the benefits afforded by the FRC model of social change.