

State of the Alcohol and Other Drug Service Sector 2017

About WANADA

The Western Australian Network of Alcohol and other Drug Agencies (WANADA) is the peak body for the alcohol and other drug education, prevention, treatment and support sector in Western Australia. WANADA is a membership-driven not-for-profit association.

Alcohol and other drugs are a health and social issue that impact the whole community. The alcohol and other drug sector provides specialist services to meet the diverse needs of people in Western Australia. WANADA aspires to drive across-sector solutions that focus on a whole of community approach to addressing health and wellbeing issues associated with the use of alcohol and other drugs.

WANADA is driven by the passion and hard work of its member agencies, which include community alcohol and other drug counselling; therapeutic communities; residential rehabilitation; intoxication management and harm reduction services; peer based; prevention; and community development services.

WANADA is the independent voice on alcohol and other drug sector issues throughout WA.

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The 2017 State of the Sector Report is informed by over fifty hours of consultation with senior staff from specialist alcohol and other drug organisations, as well as over twenty hours of consultation with generalist organisation representatives, delivering alcohol and other drug support services.

WANADA wishes to acknowledge the contributions of the following organisations, which participated in the consultation that underpins this report:

- 55 Central
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- Holyoake
- Hope Community Services
- Local Drug Action Groups Inc.
- McCusker Centre for Action on Alcohol and Youth
- Milliya Rumurra Aboriginal Corporation
- Mission Australia WA
- Nyoongar Outreach Services
- Outcare
- Palmerston Association Inc.
- Peer Based Harm Reduction WA
- St John of God Healthcare – Drug and Alcohol Withdrawal Network
- St John of God Healthcare – South West CADS
- St Bartholomew’s House
- Teen Challenge WA
- UnitingCare West
- Yaandina Community Services

This document was created on Whadjuk Noongar land. WANADA acknowledges Aboriginal and Torres Strait Islander people as the Traditional Custodians of this country and its waters. We wish to pay our respect to Elders past and present and extend this to all Aboriginal people reading this report.

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Executive Summary

The purpose of WANADA's State of the Sector reports is to provide snapshots over time of the wellbeing of the Western Australian alcohol and other drug (AOD) service sector. This is the second report, informed by consultations undertaken in 2017 following the 2015 State of the Sector Report.

There was a specific context to the initial State of the Sector report. 2015 saw the welcomed release of the *Mental Health, Alcohol and Other Drugs Services Plan 2015-2025 (ten-year Plan)*. It also coincided with the amalgamation of the Western Australian Drug and Alcohol Office (DAO) and the Mental Health Commission (MHC), which resulted in a period of potential instability and uncertainty for the WA AOD service sector. Both developments marked a turning point.

The 2015 State of the Sector Report was intended to provide a baseline primarily to allow assessment of the impact of the amalgamation. Significant environmental changes since 2015, including many changes in service and organisation management, increased the complexity of any benchmarked analysis. As a result, the preceding and current State of the Sector reports are used as snap-shots for comparison of the service sector's wellbeing.

Since 2015 there has been: the election of a WA Labor State Government and subsequent machinery of government changes; ongoing cross-sector reform; and a range of commissioning opportunities and contract management challenges. In response to an evolving environment, the sector clearly determined that it needed to re-evaluate its position and has reasserted its unique value to the community and government, strengthening its resolve to continuously improve the services delivered.

While acknowledging the challenges since 2015, there have been multiple opportunities, including increased government funding and broader AOD inclusive policy. There has also been increased recognition of the importance of a public health-led response to AOD problems, as opposed to a law enforcement focus.

The 2017 State of the Sector Report has identified that, while there have been many positive advances, many of the recommendations from the 2015 report remain current challenges. Critically, there is a need to significantly enhance recognition and application of the sector's strengths and capabilities in order to leverage the development and implementation of effective responses that benefit the whole WA community.

WANADA

31 August 2018

Recommendations

1. Establish a centre of excellence developed through sector-wide collaboration, including consumer and family engagement.
2. Prioritise the development of a collective data and outcomes management system that allows interrogation and analysis to inform strategic service planning and delivery.
3. Resource and support the Interagency Strategy to provide a stronger systems management and policy coordination mechanism to drive State-wide, cross-sector solutions.

The above recommendations are contingent on:

- systemic support for the sector's efforts to establish and maintain cross-sector working relationships that holistically meet individual needs;
- increased awareness amongst government decision makers regarding the impact of funding, tendering and policy on system performance and sector well-being; and,
- support for research translation initiatives.

AOD Sector – Since Amalgamation

In the past few years media and public commentary has clearly contributed to community concerns about the harms associated with AOD use. This in turn has resulted in political pressure to address AOD issues, particularly during election campaigns. In response, there have been increased commitments made by political parties for inquiries aimed at informing sound strategic planning processes, and significant increased funding for services.

Research demonstrates community sentiment has shifted to a preferred focus on treatment responses over a simple and singular reliance on law enforcement.¹

Since 2015 the sector has been impacted by ongoing reform and increased policy focus on AOD. There have been significant commissioning changes with multiple cross-government funding opportunities.

Sector response

There were initial concerns with the amalgamation between the MHC and DAO. The sector reported that there was a period of significant instability, with the perception that the role and diversity of the sector was not understood. There was a sense that the sector's strengths and expertise could easily be devalued, particularly as the AOD sector is much smaller than the mental health sector. There was also concern that the language of the mental health sector was being imposed on the AOD sector, despite duplication of comparable terms that held similarly strong principles. All of these factors challenged the sector's identity.

Alcohol and other drugs is being forced to fit into a mental health framework. The sector works with some mental health clients, but often it's a different clientele. Amalgamation has had a negative impact.

AOD organisation CEO

We've modernised. We're more agile. The landscape is changing. It feels like more than ever we're not just representing the organisation, we're representing the community.

AOD organisation CEO

In response, the amalgamation provided the opportunity for the sector to clarify and promote its value proposition. The sector reports having developed resilience, reaffirming its unique role in contributing to community health and wellbeing. This has placed the sector in good stead when faced with further environmental challenges.

The amalgamation provided significant impetus for the sector as a whole to explore further ways to meaningfully engage with AOD consumers, supporting their voice in co-production and consumer led initiatives.

Research prior to the amalgamation identified a significant gap in consumer involvement in systems level policy and decision making.² The MHC is acknowledged for supporting this level of consumer engagement through its own processes. This has not translated, however, to comparable support for an independent AOD consumer-led systems advocacy body, although work is currently underway in this domain.

¹ Australian Institute of Health and Welfare (2016), National Drug Strategy Household Survey 2016: Detailed Findings. Canberra: p.118.

² DAO, WANADA and WASUA (2014), Improving Consumer Involvement in the AOD Sector: Summary Findings from Forum held 6 November 2014, Western Australia.

Sector strengths

The sector's strengths were identified prior to the amalgamation. In terms of AOD service system, these strengths remain. The current attributes of the WA AOD sector place it in a unique position compared with other health and human service sectors and jurisdictions. The sector's overall strengths remain and need to be taken into consideration in future planning and development, and supported to ensure sector-wide continuous quality improvement.

Identified WA AOD service sector strengths include:

- *Community Connection*
- *Quality*
- *Responsiveness*
- *Cross Sector Collaboration.*

Community Connection

The WA AOD sector is predominantly comprised of non-government, not-for-profit organisations. This is unique compared to other Australian states and territories, where, other than Victoria, there is a higher proportion of government-owned enterprises.

The non-government not-for-profit composition of the sector has contributed to its ability to create and maintain strong, purposeful community connections. These connections have been strengthened recently, with many organisations having revisited and reaffirmed their community-driven mission and values. Services uniformly report being committed to maintaining these strong community connections, and thus meeting changing community needs and expectations.

Our strength is our history. We've been here several decades. The community know and trust us as service providers.

AOD organisation CEO

The strength of the sector's community connections, and the continuity of its service delivery have supported the growth of the sector's positive reputation. The benefits of a strong reputation are wide-ranging: community awareness, service linkages, referral pathways and service access are all positively impacted.

The AOD service sector in WA is relatively small when considered in the context of the prevalence of AOD drug problems, the overall burden of disease and the impact on all segments of the community. While there are concerns about demand exceeding supply, the size and composition of the sector enables it to remain agile and effectively participate in sector-wide change management to improve efficiencies, access and outcomes. Further, the sector's community connection and long history ensures that it can contribute in a manner that supports, rather than compromises, its core purpose.

This sector strength, however, is predicated on service sustainability. There were concerns reported regarding the impact on community connection with continued uncertain funding and inconsistent (state and federal) contracting practices.

It is imperative that the policy and funding environment provides stable and sustainable service delivery. Government planning must recognise and value the sector's community connection, and consider opportunities to further support this sector strength.

Quality

The WA AOD sector demonstrates a commitment to continuous quality improvement, certification and evidence-informed culturally secure service delivery.

Government-funded services in WA are already required to be, or working towards being, certified against a recognised relevant systems management and/or industry specific standard. The WANADA developed standard, the Standard on Culturally Secure Practice, is a combined management system and industry specific certification standard registered under the Joint Accreditation System of Australia and New Zealand.

Organisation representatives considered the sector's approach to quality and evidence-informed practice to be a key sector strength, with many highlighting their services' model of care, research connections and the value placed on research translation.

We have a reputation for delivering quality services and a refined philosophy that underpins everything that we do.

AOD organisation CEO

The sector's approach to quality, certification and evidence-informed service delivery is closely tied to the sector's reputation as specialist, professional, and trusted. There is, however, no requirement for services not in receipt of government funds to be accountable for the quality of service they provide, and no requirement for certification against a relevant standard.

In response to unmet demand,³ there has been an increase in the number of private /non-government funded AOD services. Over the past two years, there have been a number of media exposés of services not in receipt of government funding. These reports have raised concerns that many of these services have been operating outside of what is best practice, leading to allegations of exploitation and consumer harm.

These issues have the potential to negatively impact the reputation of government funded services. To ensure the WA community can retain its confidence in the sector, there must be consistent requirements and accountability of any organisation providing AOD services, including meeting certification requirements against a relevant standard.

The community knows our brand and our service... But "pop-ups" risk the sector's brand.

AOD organisation CEO

Responsiveness

The WA AOD sector is proactive in its responses to the specific, evolving needs of Western Australians. To maximise both service access and outcomes the sector actively identifies the needs of their community, including changing trends of drug use. Service representatives report adapting their programs and treatment models to best respond to current issues.

We're more efficient, more attuned to, and therefore better at servicing our client base – which is growing.

AOD organisation CEO

Services demonstrated increased maturity in responding to their communities. A number of organisations noted that they were actively seeking to understand individual holistic needs, resulting in improved planning, service delivery and cross-service through-care.

Over the past two years, regional organisations in particular noted that some government regulations as well as changing cultural practices had impacted service delivery. The introduction of liquor restrictions and welfare cards in some locations, for example, had acted as a catalyst for increased transience in some population groups. A more transient Aboriginal population in the regions was also reported as generating increased stressors related to the need to observe cultural obligations.

Services noted that transience impacted the ability of services to provide holistic treatment and support. In response, services reported an increased focus on outreach and shared messaging to ensure that, regardless of location, people could access consistent information and support.

We've adjusted our services – there's more assertive follow-up, better case management and more work with agencies to provide holistic services.

AOD organisation CEO

Many organisations noted an increase in the demand for services by consumers experiencing harms associated with methamphetamine. Complex needs of those presenting with issues associated with methamphetamine use has seen services independently responding in an evidence-informed and strategic manner. Specific responses included: adapting treatment models;

³ Unmet service demand is conservatively estimated to be between 200,000 and 500,000 people per year nationally. See: Ritter et.al, New Horizons: The Review of Alcohol and Other Drug Treatment Services in Australia, 2014, p.13.

focusing on increasing client engagement; coordinating increased shared care across multiple service providers; and exploring more aftercare and post-service referral opportunities.

In an environment typified by complex changing needs together with variable distribution of services and capacity, the sector would benefit from coordinated systemic support to enhance sector-wide change management responses and application of strategies. An effective systems approach would increase cost-efficiency, reduce barriers to service access, support the development and application of practice research, and support overall sector development to best meet the needs of the WA community.

An effective centre of excellence is needed to provide support for the enhancement of the whole sector. This would be realised through access to research and clinical specialists that can build the capability, cooperation and information sharing amongst services. It needs to strive to achieve improved:

- equitable access to quality services, regardless of service type and location;
- workforce capabilities and confidence;
- referral within the AOD sector and across other health and wellbeing service systems;
- translation and therefore application of research and evidence in practice;
- participation in practice informed research;
- change management responses to trends as well as reform and policy shifts;
- sector-wide capacity and sustainable outcomes;
- sector driven planning and co-production; and
- sector-standing and community awareness of the importance of a health response to AOD issues.

The establishment of a centre of excellence will require State Government leadership and resourcing.

Recommendation 1.

Establish a centre of excellence developed through sector-wide collaboration, including consumer and family engagement.

Cross Sector Collaboration

The WA AOD sector reports an enhanced appreciation of the value of collaboration and has increased cross-sector working relationships. Collaboration across all relevant sectors has enabled services across multiple sectors to better address complex issues through shared care. The sector recognises the value of collaboration in that it potentially supports service access; builds cross-sector capacity; increases community awareness of AOD issues; and reduces stigma and discrimination.

Through collaborations we can offer and coordinate more holistic care, as complex needs are being met by many specialist services. The clients see the benefits, and our service does too.

AOD organisation CEO

Improved service integration across AOD and mental health was the intention behind the amalgamation of the MHC and DAO. Organisations expressed mixed views regarding its impact for this purpose. Most services reported little further improvement in AOD and MH service integration, primarily due to the absence of a government-led response to AOD stigma and discrimination.

We were already addressing comorbidity, and still find it difficult to get the appropriate level of assistance due to the negative perception of alcohol and other drug use. There's still prejudice in many mental health services. AOD service representative

In terms of broader “integration” there has been a focus on prescriptive, mandated consortia arrangements in several AOD service relevant commissioning processes. Sector representatives reported that these have devalued or created tension in existing inter-service relationships. There is also concern that integration is often seen to be synonymous with mergers and the creation of larger, generalist organisations rather than strengthening referral pathways between responsive, community-connected specialist services.

I'm not convinced on the need to merge and integrate. I'm convinced of the need for clear, committed ways to deliver an outcome.

AOD organisation CEO

Less prescriptive commissioning approaches to support cross-sector relationship have been demonstrated by the MHC through procurement processes requiring providers to demonstrate how they will work with others to deliver integrated services. Such approaches build on and support enhanced existing collaborative relationships.

Specialist AOD services identified having established collaborative relationships for enhanced service delivery and access with:

- health (ambulance, primary health, hospitals, Aboriginal Medical Services, communicable diseases);
- mental health (non-government and government organisations);
- housing and homelessness ;
- domestic violence;
- aged care;
- suicide prevention;
- child protection;
- financial support;
- youth services;
- employment services;
- disability groups and services;
- community resource centres;
- education (primary, secondary, tertiary, TAFE);
- other AOD service types and networks, including interstate;
- regional and local committees and interagency working groups;
- volunteer services;
- sporting clubs;
- local commercial businesses; and
- other relevant human services.

It is important that the sector's efforts to establish and maintain cross-sector working relationships that holistically meet individual needs, are recognised and supported.

Sector Workforce

It is estimated that the specialist WA AOD sector employs approximately 1,200 people.⁴ The demographics align with national statistics, with a majority of the workforce being female, and a significant proportion aged 40 years and over (68%), with only 8% of the workforce under 30 years of age.⁵

In May 2017 WANADA released the *Comprehensive Alcohol and other Drug Workforce Development in Western Australia: Full Report* (Report) An electronic copy of the report is available at WANADA's [website](#). The Report was prepared to inform the development of a WA AOD workforce development strategy. It describes the background, context and issues currently facing the AOD workforce.

The recommendations of the Report cover the following topics:

- Individual development
 - o Education and training
- Organisational development
 - o Recruitment and retention
 - o Worker support and wellbeing
 - o Leadership and succession planning
 - o Consumer participation
- Systems development
 - o Complex and co-occurring issues
 - o Partnerships and linkages
 - o Diverse population groups.

The 2017 State of the Sector Report is intended to complement the Workforce Development Report and focuses on sector staff morale and turnover.

Turnover

The AOD sector's workforce is diverse. Many organisations report a significant percentage of their staff have experienced AOD concerns and/or have previously been service users. While not necessarily identifying as peer workers, many return to the sector after attaining appropriate qualifications. Their experience, however, contributes to their passion and commitment to make a difference. Organisations report being aware of the need to have sound processes in place to support the continued well-being of their staff, including those with past experience.

Some people move interstate, or are graduates seeking more experience. But we have a lot of longstanding staff – people are committed to the mission of our organisation.

AOD organisation CEO

Low rates of turnover demonstrate that, while the service delivery environment has been subjected to changes and uncertainty, staffing remains relatively stable. The majority of AOD organisations reported staff turnover to be equal to, or lower than the 16% national average for not-for-profit organisations.⁶

A lack of job security has, however, adversely impacted retention rates.⁷ Of particular concern is the loss of skilled staff because of service contract insecurity.

⁴ WA Network of Alcohol and other Drug Agencies (2017). *Comprehensive Alcohol and other Drug Workforce Development in Western Australia*, p.10

⁵ Ibid.

⁶ Nous Group, *Benchmarking with Benefits* (2014). In Notforprofitpeople, *New NFP HR benchmarks, organisations are spending more but reducing turnover. How do you measure up?* <http://nfpeople.com.au/2014/11/new-nfp-hr-benchmarks-organisations-are-spending-more-but-reducing-turnover-how-do-you-measure-up/> Accessed 23 June 2018.

⁷ WANADA, *Comprehensive Alcohol and other Drug Workforce Development in Western Australia*, p.25

Organisations operating outside of the metropolitan area reported that these issues were often compounded by further pressures, such as cost of living and sourcing appropriate accommodation. Regional services report their strategies to minimise turnover, including recruiting staff who have a commitment to the local community wherever possible.

Morale

We've a passionate and engaged workforce. We receive a lot of unsolicited positive feedback.
AOD organisation CEO

The sector consistently reported staff morale to be good or very good. These assessments were often substantiated through staff satisfaction surveys. There were indications however, that in some organisations, while morale remained healthy, external pressures have made it less robust compared to two years ago.

Service management consistently reported the impact of tender and funding issues (including the uncertainty of funding arrangements) on their morale. In the majority of cases it was noted that tender and report writing had been a significant impost on senior staff within many organisations. For smaller organisations in particular, comments centred on having insufficient resources to hire consultants and being unable to delegate these functions to service delivery staff.

Many organisations' senior staff indicated that they undertook protective measures to shield staff from tender and funding issues. Typically anxiety and stress is reported as being internalised by the CEO and service managers.

It's a leadership issue. How do you respond to change rather than react to it? You have to be comfortable with uncertainty and communicate confidence with your direction.

AOD organisation CEO

This is a challenging and confronting sector to work in. By the time treatment and support services are accessed, many service users are in a lot of psychological and social distress. "Complex issues" is an inadequate term to capture their circumstances, or inform a service plan. As a sector, there is a need to ensure staff working in this sector are best supported for their own well-being. WANADA offers an umbrella Employee Assistance Program (EAP) to its member organisations and their staff. The EAP provider continually reports that the program is used by AOD sector staff at higher rates than other sectors and industries, which is a reflection of the challenges discussed above. CEOs and managers are, however, less likely to access an EAP. Appropriate support strategies need to take the current additional stressors of senior staff into account.

There is a need for increased awareness amongst government decision makers regarding the impact of funding, tendering and policy on system performance and sector well-being.

Data and Outcomes, Research and Policy

Developing the AOD service system requires a comprehensive and inclusive approach to data and outcomes, research and policy. Data and outcomes are integral components in supporting sector development and sustainability. They are central to:

- maintaining community confidence in service provision;
- informing services' continuous quality improvement;
- informing targeted service design reflective of changing community needs;
- giving consumers better information to support service choices;
- building on evidence-based practice and practice informed research;
- underpinning transparent procurement processes and decisions;
- informing policy and planning; and
- measuring the outcomes of government initiatives.

Research is a necessary contributor to the AOD service system, primarily to support research translation, evidence-informed practice and systems development.

Effective policy-making relies upon a combination of research evidence, data, and co-production with sector expertise to ensure the focus on community needs. In policy, planning and development, there is a clear need to ensure stakeholders, particularly the AOD service sector are brought along with, and involved in, policy development and change so as to maximise outcomes.

Data and outcomes

The WA AOD sector continues to emphasise the importance of data collection and management. Collecting data, however, must be accompanied by the capacity to readily analyse the data to inform service delivery improvements and strategic planning. The sector continues to identify (as per the 2015 State of the Sector Report) the need to demonstrate outcomes.

Data and outcomes are still integral to service delivery. It hasn't diminished – data is still a critical need.
AOD organisation CEO

This position has recently been mirrored by the State Government, with the Service Priority Review identifying the need for an overhauled approach to Outcomes-Based Management, and the development of whole-of-government targets.⁸

The fragility of the current data system was repeatedly reported as a concern. While the Service Information Management System (SIMS) is generally accepted by those responsible for entering clinical data, it has been questioned whether the current system is meeting the strategic needs of organisations.⁹

From the sector's perspective, data and outcomes are essential elements of contemporary service delivery. The sector identifies that a collective data and outcomes system is preferable for cost efficiency and for sector-wide planning. The absence of a collective data management system, that meets the data and outcomes needs of the sector as well as all individual services, has resulted in many organisations feeling vulnerable.

There's a recognition in management of the critical need for relevant data. Some organisations may have the capacity to develop it, but not all. For us, it would mean taking someone away from the front line.

AOD organisation CEO

⁸ Western Australian Government (2017), Service Priority Review Final Report: Working Together – One Public Sector Delivering for WA. Western Australia, p.32

⁹ Mental Health Commission (2016), Evaluation of the Service Information Management System Results and Feedback. Western Australia, p.5.

Over the past two years a number of organisations have progressed independent data management solutions to: better monitor program performance; support service accountability; and enhance tender responses. Not all organisations, however, are in a position to resource independent data management systems, creating inequity and jeopardising diversity in the service system. Independent data management systems also potentially complicates measures that ensure the integrity of collective data systems, such as the National Minimum Data Set.

Without an effective data management system AOD organisations are not able to demonstrate their impact for enhanced community connection and confidence. Collectively, the lack of effective data and outcomes creates barriers to promoting the sector.

We understand the value of data. Good data and outcomes would help our service to be more agile and responsive to trends and community needs, and would enhance our contribution to local decision making.

AOD organisation CEO

Recommendation 2.

Prioritise the development of a collective data and outcomes management system.

Research

While data collection can be of significant value, it is only so to the extent that it can be accessed, analysed and interpreted. There is increasing focus within government to ensure the data is “useful, linked and made available to providers and researchers.”¹⁰ In WA, the linking of health data attracted in excess of \$136 million in research and related funding into the State from external sources, and supported over 400 studies, leading to calls to broaden data linkage to other data sets.¹¹ This raises many issues for consideration by the sector, including data ownership, privacy and stigma. It also presents an opportunity for the sector to contribute to research that better captures the impact of AOD treatment and support across multiple sectors. It is imperative that the specialist AOD sector is engaged as a key stakeholder.

AOD services report increased research linkages over the last two years. Many organisations report a more conscious focus on engaging with research bodies to ensure practice-informed research, to support improved outcomes.

Promoting research is important and we recognise that as an organisation we've a lot to offer. We need to instigate research more so it is relevant. We can contribute to social policy and assist researchers to start at the coal face and work upwards.

AOD organisation CEO

The AOD sector identified the following bodies that they have direct research relationships with:

- Australasian Therapeutic Communities Association;
- National Drug Research Institute (NDRI);
- Turning Point;
- Edith Cowan University;
- University of Western Australia;
- Centre for Social Impact;
- Curtin University;
- Harvard University;
- Baxter Lawley;
- University of Hong Kong;
- Telethon Kids Institute WA;
- University of New South Wales;
- National Drug and Alcohol Research Centre (NDARC);
- Murdoch University;

¹⁰ Productivity Commission, 5 Year Productivity Review Supporting Paper No.5, p.99

¹¹ Data Linkage Expert Advisory Group, A Review of Western Australia's Data Linkage Capabilities, 2016, p.15.

- Broken Hill University;
- Cancer Council WA;
- University of Western Sydney;
- McCusker Centre for Action on Alcohol and Youth;
- University of Newcastle;
- Kirby Institute; and
- National Centre for Education and Training on Addiction (NCETA).

These relationships have typically been mutually initiated and supported, with a range of strategies adopted to demonstrate continued commitment to meaningful engagement.

A significant area of participation for the AOD sector was to engage researchers to evaluate and/or validate specific programs, service models or practices. Evaluation is used to inform continuous improvement.

Data and outcomes was identified by many organisations as a key inhibitor to research engagement. The availability of appropriate data to support evaluations was limited. This impacted on the ability of organisations to both attract researchers to undertake evaluations and to assess the effectiveness of adopted changes in a cost efficient way.

We need to be more collaborative, have better data, and have an outcomes framework. That way we can be dynamic, so that everyone will want to partner with us for research.

AOD organisation CEO

WANADA is involved in a national project to identify sector research priorities (practice-informed research), and explore options to influence the national research agenda. Research-informed practice, however, continued to be the main area in need of improvement. It is well established that, on average, research takes 17 years to effectively translate into practice.¹²

The AOD sector places considerable emphasis on their efforts to ensure application of evidence-based practice. Many representatives stated that internal processes have been established to support the integration of evidence into service delivery. These methods included training, supervision, and internal file audits.

We only use interventions based in evidence. We can say exactly where we pull our intervention processes from.

AOD organisation CEO

In circumstances where the evidence was considered to be less robust, or unavailable, organisations stated that they sought to address the issue through supporting or promoting the need for specific research. Sector representatives provided a range of recent and/or ongoing research activities in which they participate, with foci including:

- vulnerable women and treatment approaches;
- cultural specific toolkits;
- extrapolations of treatment methods to different cohorts and place;
- treatment models for alcohol issues;
- violent offender treatment;
- comparative studies (interstate and international);
- methamphetamine programs;
- physical health;
- role and efficacy of specific medications in withdrawal and treatment;
- comorbidity interventions;
- smoking cessation;
- youth and juvenile justice;
- Fetal Alcohol Spectrum Disorder (FASD);
- harm reduction; and
- peer educators.

¹² Morris, Z., Wooding, S., Grant, J., (2011). The answer is 17 years, what is the question: understanding time lags in translational research. *JRSM*, 104(12), 510-520. <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC3241518/> Accessed on 17 April 2018.

Resource limitations for further engagement, specifically for research translation, was frequently referenced.

The [research] job doesn't end with publishing in a journal, more work is required afterwards. Practical support is needed, like more grants with a focus on translation and building relationships from the start between researchers and groups in service delivery.

AOD organisation CEO

Commissioning bodies need to recognise and support research translation initiatives.

Policy and planning

AOD policy and planning is notably difficult due to diverse community perceptions and sensationalised media. Public views often present political pressures for action which risk deviating from the established evidenced agenda.

Cohesive systems approaches to government policy are required to address the complexity of alcohol and other drug issues. To be effective, these policies must be based on:

- sound evidence rather than selective research or external pressures¹³;
- relevant and valid data and outcomes;
- recognition of the impact of alcohol and other drugs across multiple sectors; and
- input from relevant stakeholders (i.e. sector service and consumer expertise and knowledge).

Resources must be made available to support a holistic and critical approach to informed policy and planning. There is a need for the MHC, as systems manager, to provide leadership and support improved cross-sector data and coordination.

Everyone says AOD is everyone's business. Every government body talks about AOD differently – there is no cohesion. There doesn't seem to be any policy linking across sectors. We need the Mental Health Commission to champion AOD policy.

AOD organisation CEO

Western Australia is the only jurisdiction that has an established interagency framework (currently the *draft Western Australian Alcohol and Other Drug Interagency Strategy*) to support coordinated, cross-sector responses to AOD. This is an important document that has provided, and can continue to provide, strategic service development and delivery. There is opportunity to build on an interagency commitment to improved collaboration and systems management.

The AOD sector has a role in supporting the development, implementation and evaluation of systems responses. It is imperative that systems management mechanisms such as the Interagency Strategy support meaningful sector and consumer engagement. This will ensure a service delivery perspective is integrated within policy and planning.

Recommendation 3.

Resource and support the Interagency Strategy to provide a stronger systems management and policy coordination mechanism to drive State-wide, cross-sector solutions.

¹³ Moore D., Fraser S., (2015). *Causation, knowledge and politics: Greater precision and rigour needed in methamphetamine research and policy-making to avoid problem inflation.* In *Addiction Research and Theory* 2015 23: pp 89 – 92.

Government Contracting and Relationships

Contract lengths, contract manager relationships and reporting requirements have the potential to support or frustrate the delivery of quality services to the community. The amalgamation, combined with a number of years of Agency Expenditure Reviews and fiscal constraint, has resulted in some sector anxiety.

The MHC is to be acknowledged for addressing many of these concerns by developing a procurement schedule to support increased stability in service planning. In addition the Supporting Communities Forum has advanced a commitment to increasing contract lengths.

Funding arrangements

Since 2015 there have been substantial funding opportunities for AOD services across a range of Government agencies, resulting in significant increases in service capacity in the State. This investment has been welcomed by the sector, and contributed to progressing the objectives of the ten-year Plan.

The AOD service sector receives funding from a range of different sources. These include the:

- Mental Health Commission (WA);
- Department of Justice (WA);
- Department of Communities (WA);
- Department of Employment (WA);
- WA Primary Health Alliance;
- Department of Health (WA and Commonwealth); and
- Department of Prime Minister and Cabinet (Commonwealth).

Other sources of funding include: local government; Lotterywest; philanthropic organisations; and community bodies.

2017: Average Number of Funding Agencies

Of the organisations consulted, the average number of funding agencies per organisation was **4**. The smallest number was 1; the highest 8.

2017: Average Number of Contracts

Of the organisations consulted, there were an average of **12** contracts per organisation. The smallest number of contracts held by an organisation was **1**; the highest **45**.

The high number of contracts and funding agencies for each organisation has notable implications for administration, as most service contracts require unique six monthly reports. Further, there is currently significant variance in reporting requirements for different funding agencies, resulting in a heightened administrative burden.

Some service representatives noted the impact of inadequate indexation and the Equal Remuneration Order on the sustainability of their service. There is recognition that these issues are not just impacting the AOD sector. It is important that Government agencies review current contracts with the service sectors, including AOD services, to assess the likely effect of the ERO and CPI on sustainability of programs and service providers. Further, current Government budget planning must include the identification of funding to ensure continuity of service delivery to the community, and address what is a systemic issue across human services. There needs to be recognition that, unless these issues are resolved there will be reduced service capacity.

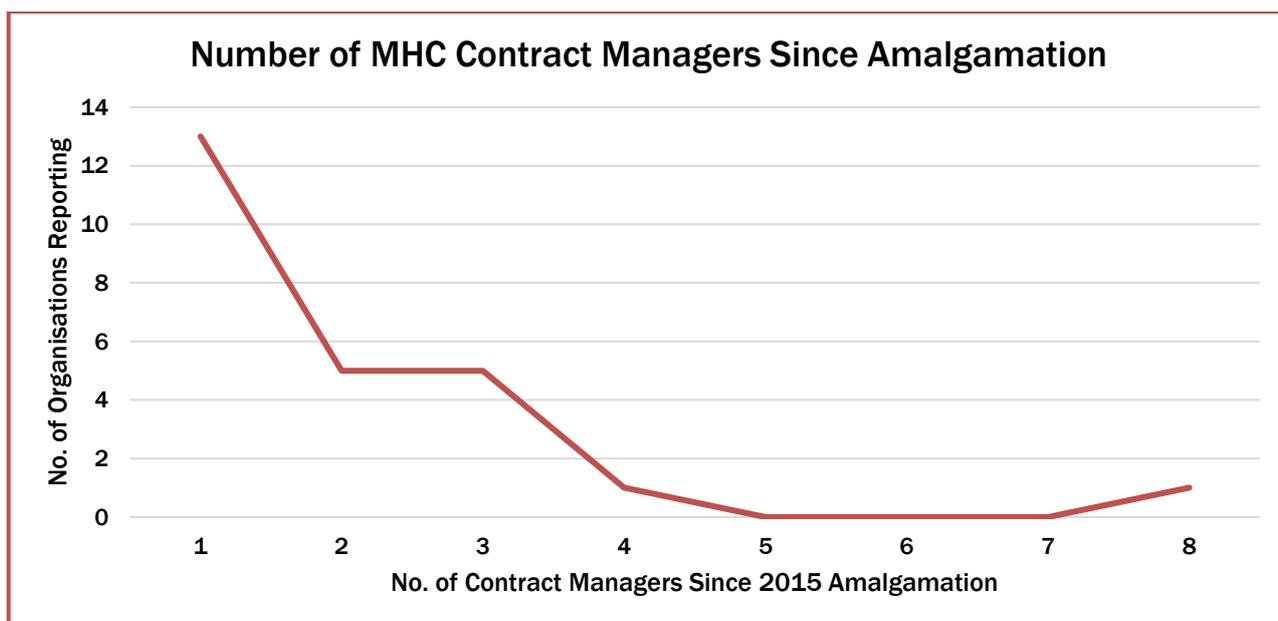
Contract manager relations

In the State of the Sector Report 2015, AOD service providers reported a strong working relationship with DAO contract managers indicating, in general, a respectful partnership that added value to the services delivered. It was the opinion of WANADA in the State of the Sector Report 2015 that these relationships needed to be at least maintained following the amalgamation.

Managing effective partnerships between providers and government requires a different skill set from what is considered to be traditional public service roles.¹⁴ The development and maintenance of these unique skills must remain a focus in those government agencies where commissioned service delivery is a core function. This is often made difficult in periods of uncertainty, such as Agency Expenditure Reviews or Government agency recruitment freezes, as the specific skills of these staff are attractive to a range of other sectors. This raises issues regarding both the availability of experienced contract managers, as well as staff workloads.

The contracts have quadrupled, and there's less [contract management] expertise. It's a systems issue.
AOD organisation CEO

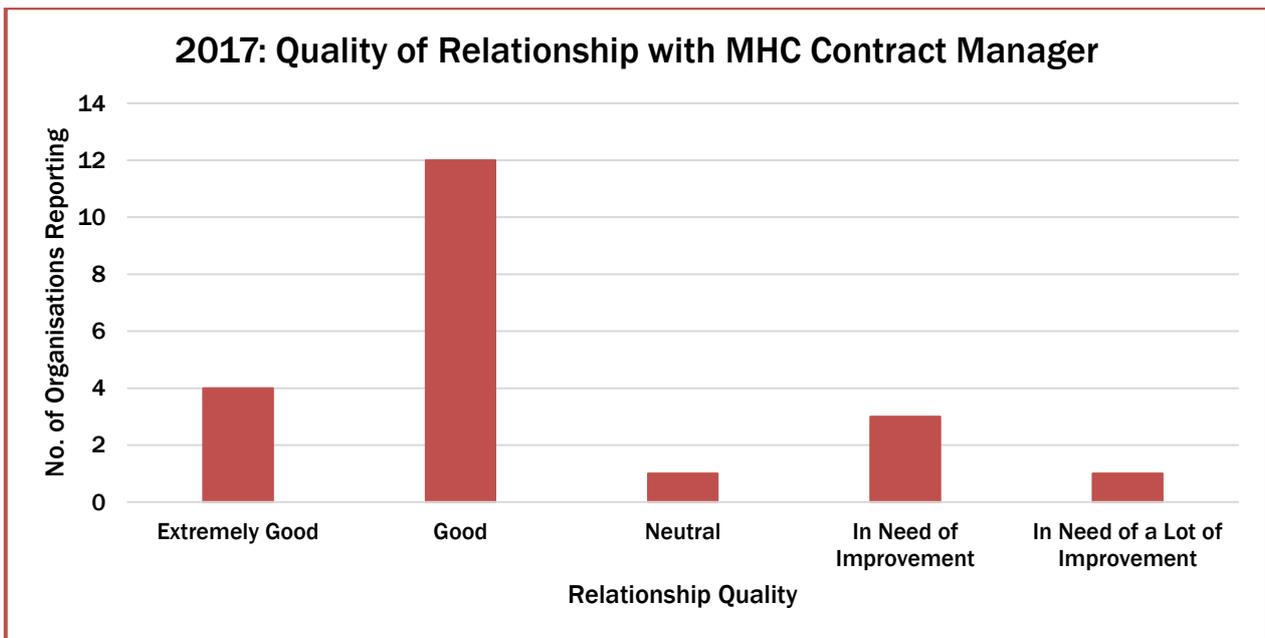
In the period following amalgamation, the majority of organisations consulted as part of State of the Sector reported they had retained the same DAO/MHC contract manager since amalgamation. A number of organisations, however, reported turnover of between two and three contract managers since 2015. The highest number of contract managers reported by an organisation since 2015 was 8.



Turnover of contract staff risks inconsistency in the management of service agreements, negatively impacting both parties.¹⁵ Sector representatives expressed concern that where there was a turnover in contract managers this had resulted in a loss of experience and knowledge of AOD service delivery and management. The impact of this turnover manifested in many ways. Some organisations were critical of the quality of feedback received from contract managers on their six monthly contract reports.

¹⁴ Goldsmith, S., Eggers, W.D., Governing by Network, (2004). Cited in Ritter et.al, New Horizons: The Review of Alcohol and Other Drug Treatment Services in Australia, 2014, p. 222.

¹⁵ New Horizons, p.223.



Contract Manager Relationship Comparison: 2015-2017

State of the Sector 2015	State of the Sector 2017
<p>62.5% of respondents indicated the relationship was extremely good.</p> <p>18.7% rated the relationship as good.</p>	<p>19.1% of respondents indicated that the relationship was extremely good.</p> <p>57.1% indicated the relationship was good.</p>

AOD sector representatives' feedback varied regarding the quality of relationships across multiple government contract managers. For contracts managed by the MHC, organisations' views were varied. Some representatives reported positive professional relationships with contract staff and others described the relationships as less satisfactory. Of those sector representatives consulted for the State of the Sector, a number had joined their respective organisations following the amalgamation, and were thus unable to comment on contract manager relationships pre/post amalgamation. These representatives, however, did have previous experience with other contract managers in different government departments, which were used as a comparison when considering the nature of relationships with MHC contract managers.

Some organisations reported a reduction in their trust in the MHC contract management arrangements. Issues such as delays in feedback, a lack of meaningful engagement, perceived inappropriate information requests and what was considered to be a bureaucratic or "box-ticking" processes of contract managers were reported as influencing a reduction in organisation confidence in contract management.

Before, we could have a meaningful conversation regarding our differences.

AOD organisation CEO

A number of organisations expressed concern that the MHC's approach to contract management is "micromanaging" compared to other state government funders. In some cases, the MHC contract managers have advised AOD contracted organisations that they want to be kept informed of all detailed service operational matters such as staffing changes, recruitment processes, staff qualifications and minor service delivery matters. In comparison, contract managers of other State Government funders, in the main, oversee the management of the service that has been purchased at a more strategic level, and operational detail is not required. The reported level of micromanagement by the MHC was interpreted as the MHC not trusting the organisations' quality and expertise.

Several organisations stated that the relationship with their MHC contract manager was positive. These organisations considered their contract managers to be respectful, providing constructive feedback, and working with organisations to deliver improved outcomes. Those organisations which considered their relationship with their contract manager to be positive reported there to be a mature approach to contract management based on shared values and respect for the differences and expectations of both parties.

They [MHC Contract managers] are more astute and informed, and we've maintained a solution focus. They need to demonstrate outcomes, and we need to as well.

AOD organisation CEO

The variability in the perceived quality of contract management was experienced with other funding bodies, with organisations reporting both positive and negative relationships. Some factors reported as influencing the nature of the contract management relationship included:

- location of contract manager i.e. regional or metro-based, and their proximity to the contract managed service;
- workload of the contract manager;
- recognition of different roles of contracted organisations and contract managers;
- recognition of the context surrounding the data being reported; and
- boundaries regarding what information or data is requested.

Professional working relationships are important for both contract managers and funded services. When implemented well, relationships can add value to service delivery: supporting the needs of both parties; and leading to alliances that “co-create public value”.¹⁶ A regression to more formalised relationships (solely focused on monitoring KPIs) often has a broader impact on organisation trust, transparency, communication and conflict management. This takes up more resources than would otherwise be required, and introduces uncertainty and distrust into the relationship.

We sat down together to improve the contract. We talked about expectations and shared pressures. It was a positive, mature approach.

AOD organisation CEO

Organisations provided a range of views regarding the impact and value of contract management relationships. A good working relationship was seen as important in that it would add value to the contracted services. Where the relationship was seen as less than ideal, organisations reported having to actively manage what was considered to be a difficult relationship. This removed them from service delivery duties. There was also potential for these relationships to impact the broader staff. For example providing responses to what was perceived as additional (outside of

contractual obligations) information has been construed by staff as being critical of the service they provide, impacting morale.

Some organisations reported positive contract management relationships that were considered to add value to the service being delivered. In these circumstances, the contract management relationship was considered to have been conducted in a manner that best met the needs of both parties, while being respectful of their differences. There was a strong correlation between organisations reporting positive contract management relationships, the subject-matter experience of the contract manager, and the regularity of site visits.

There's little room for relationship building or growing awareness. It impacts on their ability to understand our strategic role in the system. It doesn't contribute value to what we do.

AOD organisation CEO

¹⁶ Carson, E., Kerr, L., Marketisation of Human Service Delivery: Implications for the Future of the Third Sector in Australia, (2012). p.3 http://c.ymcdn.com/sites/www.istr.org/resource/resmgr/wp2012/marketisation_implications_f.pdf

There is evident variability in the quality of AOD contract management within and across different commissioning bodies. Noting the increasing pressures on services to address changing community concerns regarding harms associated with AOD, it is important that a partnership approach supports the achievement of best outcomes – with clear delineation of roles between contract management and service delivery.

Service commissioning

Tender processes are reported as being one of the most significant imposts on organisations. Over the last two years, tender opportunities from a range of commissioning agencies have increased. Competitive tendering and prescribed consortia provisions have had a negative impact.

Some services have less administrative capacity. When I first started, my involvement in clinical functions was significant. Now it's difficult for me to do that. I'm stuck report and tender writing, but the reason for the organisation hiring me was my clinical expertise.

AOD organisation representative

Organisations were highly critical of tendering arrangements in that the resource requirements to design and write tenders are a significant burden. This was reported to be a particular difficulty for smaller organisations, as the lack of capacity to hire an external tender writer resulted in tender applications being developed by senior staff, diverting resources and attention away from service delivery.

The pressures and resource requirements for organisations to develop tenders were further complicated by factors including: short or inconsistent timeframes and notifications; the increasing complexity of tender requests; overlap of tender processes across the range of commissioning bodies; and a lack of understanding by the commissioning body regarding the efforts and resources required to develop tenders.

The increased use of competitive tendering over the past two years has exacerbated the existing difficulties experienced by the sector, as well as introduced further sensitivities and inadvertent consequences. In particular, competitive tendering was reported as placing strain on previously strong service partner relationships.

There's an expectation of collaboration, but it has worked against it. It's pulled collaboration back into pockets, and the focus on consortia has made people competitive and suspicious.

Sustainable, quality relationships take time to develop, you can't mandate them.

AOD organisation CEO

A number of competitive tender processes have included prescribed consortia arrangements.

Sector representatives reported tension between organically grown, outcomes driven relationships, and mandated, artificial consortia arrangements. In circumstances where tenders required consortia, these requirements did not sufficiently recognise the time required for partner negotiations.

It's challenging. Often you're working with a competitor, and disclosing intellectual property and costings which could be used against you. It makes you cautious with your partnerships.

AOD Organisation CEO

Organisations reported concerns regarding the interpretation of the Delivering Community Services in Partnership Policy (DCSP). While the policy itself was strongly supported by the sector, resourcing and support of the policy was considered to be limited, and the interpretation of some clauses was challenged. In particular, organisations were critical of the timing of notifications of contract rollovers and extensions. Delayed notification of contract extensions and rollovers was reported to have negative implications for staff, including increased anxiety and poorer staff retention.

Many organisations expressed support for the preferred provider option in the DCSP. Organisations noted that while the State Government had made some progress in utilising this arrangement, this practice was less frequently used by the Commonwealth Government.

The specialist AOD service sector is increasingly pulled between two opposing forces: the need to be competitive to win open tenders, and the need for improved shared care and referral pathways.

It also impacts on the systemic advantages that can be gained from information and practice sharing. The competitive approach to tendering negatively impacts sector relationships and risks system fragmentation. While it is important that the State and Federal Governments can demonstrate value for money and appropriate expenditure of public funds, this must be complemented by tendering processes that add value to the existing service system and sector strengths.

WANADA notes that the DCSP is currently under review, and that the MHC has released its forward procurement schedule. Both initiatives are welcomed, but will require resourcing to realise the potential benefits. WANADA will monitor the implementation of both initiatives over the next two years to determine whether partnership principles (with an emphasis on co-production) are adopted to inform service planning and procurement methods.

Sector consultation

The amalgamation and the Mental Health, Alcohol and Other Drug Services Plan 2015-2025 provided an opportunity to establish a shared platform for sector engagement in policy development.

Positive sector change is often the product of a commitment toward a shared purpose and partnership approach, with good communication processes.¹⁷ These commitments extend beyond values, to include the use of time and resources to establish processes and structures that build and sustain partnerships.¹⁸

Developments may be happening, but it is not well articulated. Or the consultation feels like it is to tick a box.

AOD organisation CEO

There were positive examples of good collaborative practices used by the MHC. Many sector representatives, however, felt positive examples were outweighed by the lack of sector consultation and engagement to better establish a shared purpose and partnership approach. In particular, services expressed concern regarding the nature of some consultation processes which were described as tokenistic.

State Government engagement with WANADA was also considered to be a positive by some services. However, some expressed concern that consultation with the peak body was misconstrued as sector consultation.

The MHC have recognised that collaborating with WANADA gets you better input.

AOD organisation CEO

I'm concerned the MHC sees (consultation with WANADA) as consultation with the sector.

AOD organisation CEO

Noting the breadth of policy areas that impact on AOD issues and service provision, organisations were strongly aware of the need to engage sector and consumer representatives. The extent to which services were engaged in larger cross-sector discussions, however, was identified as a key concern. Further, there was concern expressed that the voice of the sector has been diminished as a result of increased cross-sector policy and departmental amalgamations.

You don't see the AOD sector being invited into key community service discussions in Western Australia. They're not at the table.

AOD organisation representative

The voice of AOD consumers has been overtaken by the voice of mental health consumers.

AOD organisation representative

¹⁷ New Horizon, p.314.

¹⁸ Ibid.

We need to be clear on who we are, what we do, and where we are going.

AOD organisation CEO

In an increasingly contested, complicated and dynamic policy environment, it is important that the sector maintains its strong identity, purpose and goal. Service representatives reported that maintaining the sector's strong identity was fundamental to ensure its effective engagement in reform.

Future Challenges and Opportunities

Sector representatives were positive regarding the outlook for the sector, however there was also recognition that systems challenges that are beyond the ability of services to manage in isolation remain. The sector remains committed to improve the quality and scope of services provided to the community.

Services identified future risks in the broader service system, including the risks of marketisation and a heavily contested service environment. These have implications for sector branding and reputation. Some service representatives raised concerns that due to the proliferation of 'pop up' services with no or limited accountability, there needs to be increased focus on service promotion so that communities are aware of how to access quality services.

Opportunities come up all the time. The challenge is being open to them – we need to be adaptable and flexible. But we need to make sure we're not spread too thin. It's important to pick the priorities.

AOD organisation CEO

There needs to be more allowances for case management and outreach. Practitioners need to be supported to provide intensive effective support, not just churning people through.

AOD organisation CEO

The majority of challenges identified by the sector resulted from external influences, particularly funding. In these instances, funding was considered to be largely uncertain into the future, or was insufficient to support services to best meet the needs of their specific community.

Services reiterated that employment was a key future challenge, particularly staff development, attraction and retention. This is of particular concern for regional, rural and remote services.

Confidence was expressed in the calibre of sector staff who would be moving into leadership roles in the near future.

In three years' time we'll look different, and that's ok. There will be new opportunities, and new organisations and services. The community has growing expectations and needs. We need to grow with them, and continue to contribute. I'm seeing some remarkable leaders emerging across the sector; they think and work differently. The commitment I made was to strengthen my organisation; these new leaders will make organisations like mine fly.

AOD organisation CEO

Appendix: State of the Sector 2015

The Hon. Colin Barnett MLA, then WA Premier, announced on 10 April 2013 that the Drug and Alcohol Office (DAO) and the Mental Health Commission (MHC) would amalgamate, as one of a number of Machinery of Government changes.

These changes were stated to be in response to the *Review of the Admission or Referral to and the Discharge and Transfer Practices of Public Mental Health Facilities/Services in Western Australia* (Stokes Review), with the intent being:

...to improve service delivery, streamline processes, ensure better transparency and bring greater efficiencies to many government operations, and ensur[e] better delivery of service to the public.¹⁹

In 2015 WANADA produced a State of the Sector evaluation of the specialist AOD service sector in WA to ascertain and quantify the condition of the sector before the amalgamation of DAO and the MHC. This report drew on available data, feedback from the sector via surveys, and recent research and evaluations.

This baseline pre-amalgamation was intended to be compared with similar information in the years following to determine if the amalgamation had achieved its intent. Recommendations were also made in areas where change would result in improved achievement of the machinery of government intent.

The 2015 State of the Sector Report recommended:

1. Planning needs to be informed by changing trends and increasing complexity that is expected to be addressed by AOD services.
2. A means of monitoring collective waiting lists and/or times needs to be developed and implemented.
3. The sector data system (including: the data collected; and how it is managed, used and supported) needs to be reviewed, with improvements made to better meet the data needs of services.
4. A workforce training framework needs to be developed and implemented to ensure coordinated, appropriate training is available to the not-for-profit AOD service sector.
5. Workforce planning strategies need to be prioritised to both overcome current workforce trends and support an expanded workforce needed as a result of the developments of the 10 Year Plan.
6. Capacity-building training and support needs to be coordinated, developed and delivered to meet the needs of non-government services from other sectors.
7. Resources are needed to implement identified strategies aimed at addressing stigma and discrimination against AOD users and family members. This includes the establishment of an AOD systems advocacy consumer body.
8. Routine co-occurring mental health and AOD service capability assessments (through independent DDCAT and DDCMHT reviews) needs to be resourced. These assessments would inform a comprehensive approach to the sectors' development in delivering services to people with co-occurring issues.

¹⁹ <https://www.mediastatements.wa.gov.au/Pages/Barnett/2013/04/Changes-to-machinery-of-Government.aspx>