

Senate Community Affairs Committee

ANSWERS TO ESTIMATES QUESTIONS ON NOTICE

HEALTH AND AGEING PORTFOLIO

Supplementary Budget Estimates 2011-2012, 21 October 2011

Question: E11-237

OUTCOME 8: Indigenous Health

Topic: INDEPENDENT MANAGEMENT ADVISORY SERVICES AT UMOONA
TJUTAGKU HEALTH SERVICE

Written Question on Notice

Senator Adams asked:

Independent Management Advisory Services at Umoona Tjutagku Health Service - refers to answer Question on Notice E11-390 Attachment A. Concerning the select contract for Australian Indigenous Business Services Pty Ltd to provide Independent Management Advisory Services at Umoona Tjutagku Health Service (15/07/2010 15/10/2010 Select \$84,926.00 GST Inclusive)

- a) What prompted this investigation?
- b) What was the finding?
- c) What action will be taken as a result of this investigation?

Answer:

- a) A number of unresolved governance issues at Umoona Tjutagku Health Service (UTHS) during 2009 led to the Department appointing Australian Indigenous Business Services (AIBS) as Health Management Advisor (HMA) and Funds Administrator (FA) from 9 February 2010 to 17 May 2010.
- b) The investigation found:
 - The Constitution was inadequate and this had contributed to the legal dispute over the roles and responsibilities of Board members and the Chairperson position.
 - During this dispute, health service delivery had not been compromised.
 - Decision making and delegation process and procedures between Board and Senior Management were unclear.
 - There was no misuse of OATSIH funds during the legal challenge and UTHS was financially viable.
 - A review of UTHS administrative policies and procedures including Human Resource management and staffing structure was needed.

- c) Action to be undertaken as a result of this investigation was:
- UTHS to fully transition from the SA Associations Act (1995) to the Corporations. (Aboriginal and Torres Strait Islander) Act (CATSI) 1996 to alleviate the legal problems
 - A CEO to be permanently appointed to the position.
 - UTHS performance will continue to be monitored through an OATSIH Remediation Plan
 - A one year Funding Agreement in 2011/2012 will be offered to UTHS and a Risk Assessment will be undertaken prior to 30 June 2012.