



## FUNDERS REQUEST REMEDY FOR BOURKE HEALTH SERVICE

The Registrar of Indigenous Corporations, Selwyn Button, has today placed the Bourke Aboriginal Corporation Health Service (BACHS) under special administration.

Originally incorporated in 1987 under the *Corporations Act 2001*, BACHS transferred its registration to the *Corporations (Aboriginal and Torres Strait Islander) Act 2006* (CATSI Act) three months ago, amid concerns from funding bodies about the corporation's viability.

BACHS is a primary health care service with around 1350 clients in the large Bourke shire of inland New South Wales. In 2019–20 it received funding of \$2.8 million under the Commonwealth's Indigenous Australians' Health Programme (IAHP). It also receives funding from the New South Wales Ministry of Health.

In November 2020, both major funding bodies wrote to the Registrar requesting appointment of a special administrator. Each letter raised serious concerns about the corporation's standard of governance, and doubts about the viability of its health service. The Commonwealth Department of Health said that BACHS would receive a short-term extension of its funding beyond 30 November 2020, but that further funding depended on the corporation being placed under special administration. The NSW Ministry of Health said that its 2020–21 funding agreement with BACHS (worth around \$0.8 million) is on hold but a special administration would provide the ministry with sufficient confidence to proceed.

'When Bourke Aboriginal Corporation Health Service transferred to the CATSI Act, it carried an extreme risk rating under the IAHP, so it was already subject to additional oversight and support, and had been so for 18 months', said Mr Button.

In October 2019, a grants administrator prepared a remediation plan for BACHS, addressing issues of governance, service delivery and finance. Progress against the plan has been limited and without further funding, the corporation's cash reserves would dry up in 4 months.

'Client numbers have dropped by 30 per cent over 4 years, so the health of the community is clearly suffering, said Mr Button. 'On 30 November BACHS was issued a show cause notice, which asks the corporation to provide reasons not to place the corporation under special administration. Thankfully, most board members confirmed with my office that the corporation would benefit from special support to rectify the problems.'

The Registrar has appointed Peter McQuoid from PDM Consultancy as special administrator until 18 June 2021. His primary objective will be to ensure BACHS' services will continue.

### Media contact

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