

Forde Foundation Review 2008 Summary



The Forde Foundation Review 2008 has been funded by the Department of Communities.



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This summary report of the findings of the Forde Foundation Review 2008 has been prepared by the Department of Communities.

The review of the Forde Foundation by the Spall Watters Group was commissioned by the Public Trustee of Queensland at the request of the Forde Foundation Board of Advice (BoA).

The Review presents the findings of consultation with stakeholders and options for improving the Forde Foundation's sustainability for consideration by the Queensland Government and the Public Trustee of Queensland.

The Department of Communities will continue to work with stakeholders on an agreed position for the future of the Forde Foundation that delivers positive long term outcomes for beneficiaries of the Trust.

Background information

The Forde Foundation was established in 2000 by the Queensland Government in response to Recommendation 39 of the Report of the *Commission of Inquiry into Abuse of Children in Queensland Institutions*. Recommendation 39 of the Inquiry stated:

That the Queensland Government and responsible religious authorities establish principles of compensation in dialogue with victims of institutional abuse and strike a balance between individual monetary compensation and provision of services.

As a perpetual charitable trust, the Foundation aims to improve the quality of life of adults who have been wards or under guardianship of the State or have been resident as a child in a Queensland institution through the distribution of grants recommended to the Trustee by the BOA.

The Public Trustee of Queensland administers the trust fund. The Secretariat, funded by the Department of Communities, is staffed by an Executive Officer located at Lotus Place, Brisbane, a one-stop service shop for former residents. To date, the Queensland Government has contributed \$4.15 million to the trust fund.

Trust fund distribution

Since 2000, 12 funding rounds¹ have assisted more than 2,800 applicants with items ranging from basic life necessities and personal development to education needs and dental treatment. The eligibility of items is outlined in Table 1.

Table 1: Eligible and ineligible items under the Forde Foundation grants program

Description of Item	Types of items	Exclusions
Items that are basic life necessities	Beds, fridges, washing machines, basic items of furniture, stoves, TV, mowers	<ul style="list-style-type: none"> • Clearance of debt • Legal fees • Higher Education Contribution Scheme (HECS) fees
Adult education, training or personal development	Cost of materials and books for University or TAFE courses up to \$250 per semester Tuition fees – up to \$300 per semester, computers	<ul style="list-style-type: none"> • Purchase of motor vehicles, or related expenses such as registration or repairs • Recurrent items such as rent, bonds, electricity
Items or services for self-development or improved quality of life	Lift chairs, driving lessons, licence	<ul style="list-style-type: none"> • Electronic games equipment • Payment for any 'lay-by' or 'hire purchase' or reimbursement of an already purchased item
Assistance with dental and health care	Glasses, dental program (through Queensland Health)	<ul style="list-style-type: none"> • Second hand items
Family reunion costs	Including travel and accommodation costs	
Relocation costs	Where a person is homeless	

¹The reviewers did not report on the details of funding round 12 as this was still being finalised at the time of preparation of the Review report.

The Forde Foundation has distributed a total of \$1.8 million against total funding requests of \$4.3 million. Of the 4569 applications made, 63 per cent (2,870) have been approved.

Diagram 1 shows the number of applicants doubled between round 10 in 2006 and round 11 in 2007. In round 1, the Foundation had 85 applicants however there were 1,018 by round 11.

Of the round 11 applicants, only 42 per cent were successful, down 38 per cent from the previous funding round. The average percentage of applicants assisted across the 11 funding rounds is 66 per cent. The amount of funds requested also increased to over \$0.5 million in rounds 10 and 11.

Diagram 2 shows the amount of funds distributed against the types of items for grant round 11. The majority of grants were used for personal material goods including whitegoods and furniture (52 per cent) and personal computers (14 per cent).

Of the last category, 'personal development', it is estimated that only 2.6 per cent of the total was spent on education expenses.

Analysis of funding distribution information indicates that on average \$0.24 million was distributed between funding round 9 in 2005, to round 11. In round 11, the average grant received per applicant was \$505. The average grant amount per successful applicant across all funding rounds was \$604 per applicant.

The Forde Foundation Review 2008

A Review was commissioned by the Public Trustee of Queensland, at the request of the Forde Foundation, BOA to assist with responding to challenges facing the Foundation including:

- increasing demand for funds
- the announcement of the Queensland Government's Redress Scheme²
- changes to the ongoing needs of applicants due to increasing age.

The Review, undertaken from May to August 2008, involved the development of a Discussion Paper entitled "*Where to in the Future*" which was circulated to interested persons for comment.

The consultation involved 26 respondents representing 12 stakeholder agencies and 319 former residents³ who participated through public consultation meetings, questionnaires, telephone interviews and written submissions. Approximately 87 per cent of former resident respondents had received at least one grant from the Foundation.

Diagram 3 shows that two thirds of respondents (66 per cent) were aged 50 and over with the majority (56 per cent) aged between 50 and 69 years of age.

Diagram 4 shows that the majority of respondents (68 per cent per cent) lived in an area broadly defined as South East Queensland (Brisbane and the Gold Coast west to Toowoomba and north to the Sunshine Coast).

Issues identified

Throughout the Review a number of key issues were identified including:

- establishment of the Redress Scheme bringing closure to Recommendation 39 of the Forde Inquiry. This presents an opportunity to focus on the future development of integrated community based services which will assist former residents to achieve improved quality of life outcomes, on an as needed basis

²This scheme will provide \$100 million of ex gratia payments of between \$7,000 (Level 1) and up to \$40,000 (Levels 1 and 2) to people who experienced abuse or neglect as children in Queensland institutions

³Eleven participants were accompanying carers and/or family members of former residents.



Diagram 1: Number of applicants, both successful & unsuccessful

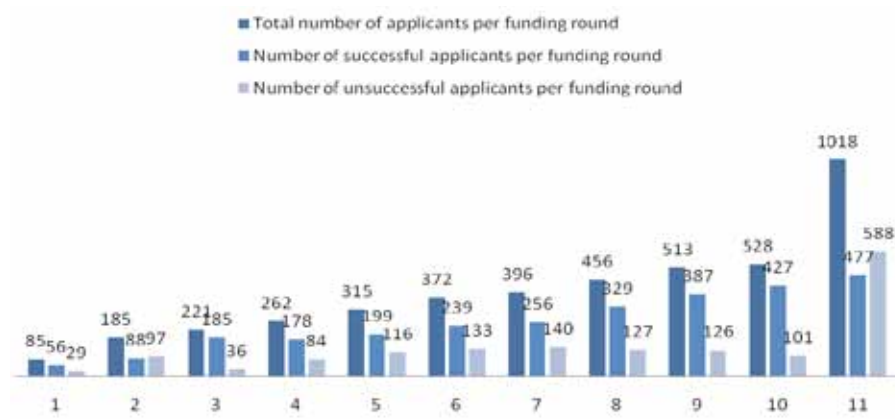


Diagram 2: Amount of funds distributed in round 11 by type of item

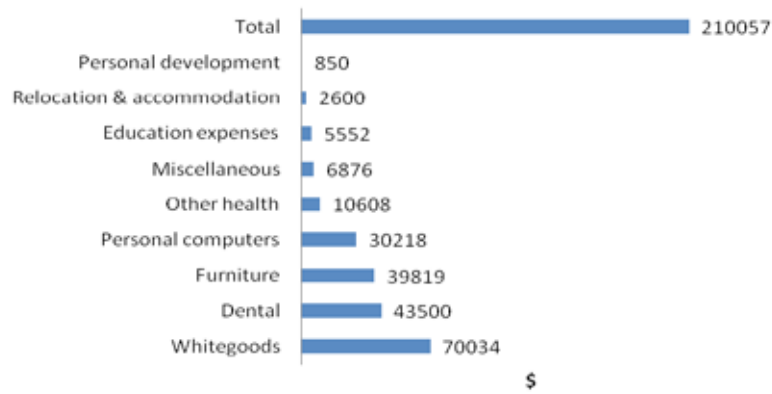
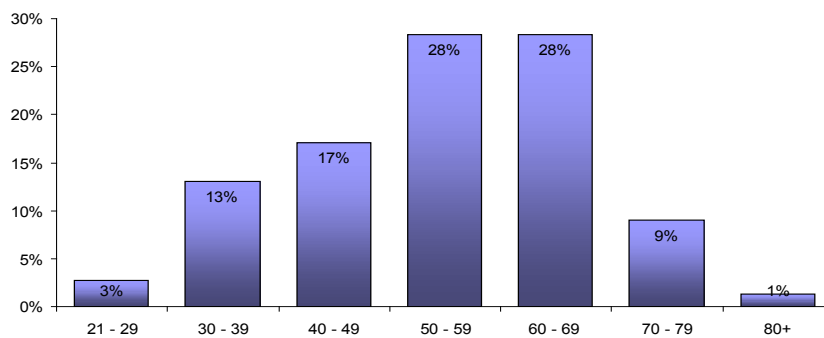


Diagram 3: Age of respondents



- increasing demand for Forde Foundation funds due to interest created by the Redress Scheme
- limited availability of performance data to the BOA on which to make informed decisions due to information and data collection system challenges
- significant sustainability issues associated with the current revenue model of providing grants to individuals and accessing the capital. Continuation of this model may mean the fund could be fully distributed by 2017
- difficulties with priority setting to manage demand for assistance from a large number of former residents with health related needs
- whether a perpetual trust is the best vehicle for the Foundation's original intent and aims.

Responses to the Discussion Paper

The Discussion Paper summarised the challenges facing the Foundation and asked a series of questions about possible directions for change including:

- who should have priority in receiving funds
- should the amount of funds allocated to any applicant over time or at each grant round be limited
- should an end date be set for the trust fund?

The Discussion Paper also requested comments on three general approaches to how funding could be managed into the future. These approaches were:

- Approach A – trust funds be distributed to former residents through individual applications to the Foundation based on new priorities
- Approach B – trust funds be distributed to former residents through support agencies based on new priorities
- Approach C – trust fund be distributed through a combination of Approaches A and B.

Feedback from former residents

Feedback from consultation with former residents included:

- high levels of satisfaction with the grants received to date (Diagram 5)
- older former residents should be a priority for funding (Diagram 6) ⁴
- grants received for individuals should be limited over a person's lifetime (Diagram 7)
- preference for the Foundation to remain perpetual (Diagram 8)
- preference for Approach A (Diagram 9)
- regional former residents have less access to support services
- trust fund needs 'topping up' to ensure that it continues into the future
- request for increased engagement with the BOA and the Forde Foundation.

Feedback from other stakeholders

In contrast to the views of former residents, most other stakeholders believed that Forde Foundation funds should be channelled to former residents through support agencies and tied to an individualised support plan. Feedback trends included:

- little support for the funding of material aid items (such as household goods) and a view that education and other developmental needs were more important
- two agencies believed the fund should be closed over time.

These consultation results highlight the difficulty of getting agreement between former residents and other stakeholders about the future direction of the Forde Foundation.

⁴ Respondents tended to specify "Other" groups as "the needy" "those who have never received grants", "the physically ill", "the mentally ill", "the disabled" and those "released from prison"



Diagram 4: Location of respondents

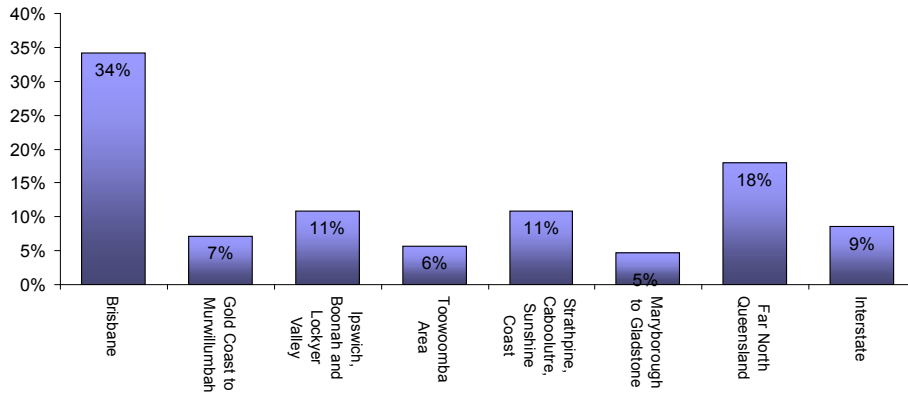


Diagram 5: Level of satisfaction with allocation of grants

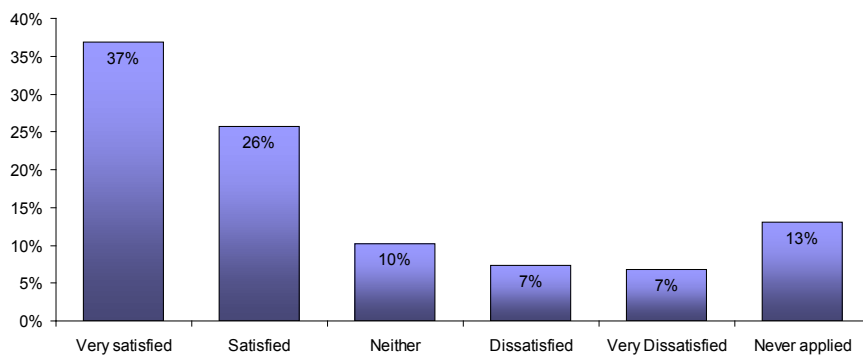


Diagram 6: Who should be a funding priority?

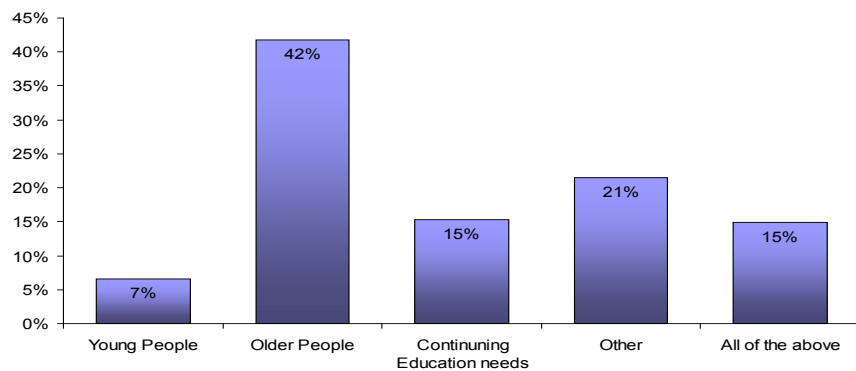


Diagram 7: Limit on the funds allocated to any person

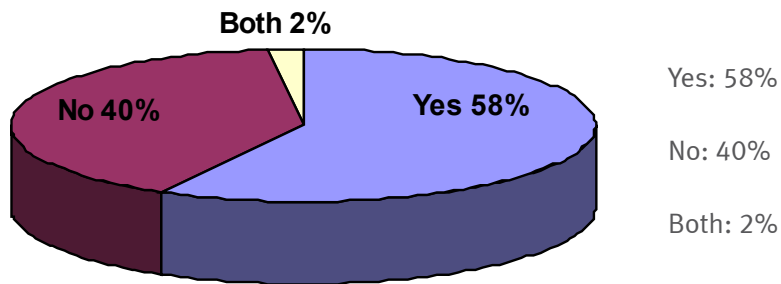


Diagram 8: Limit on the life of the Forde Foundation Trust Fund

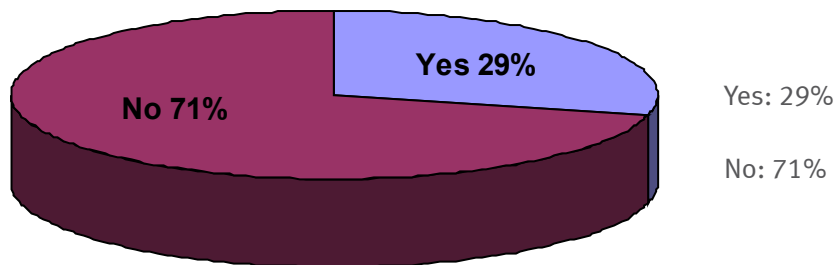
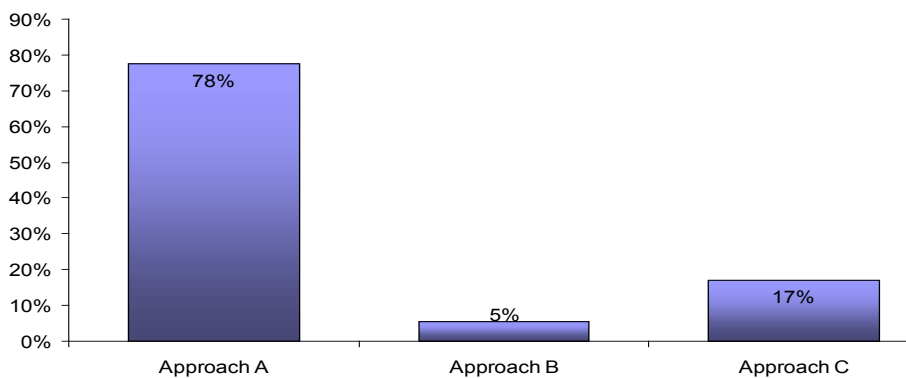


Diagram 9: Preferred approach to fund distribution



Approach A: Funding distributed through individual grant applications

Approach B: Funding distributed through support agencies

Approach C: Funding distributed through a combination of Approach A and Approach B

The Forde Foundation Review assumptions

The Forde Foundation Review recognised a number of assumptions including that:

- the Queensland Government has met its commitment to Recommendation 39 through the Redress Scheme and is unlikely to 'top up' foundation funds
- despite the Redress Scheme, former residents may continue to believe they are entitled to ongoing financial assistance from the Foundation
- churches have provided small donations to the Foundation and this is unlikely to change in the immediate future
- the current strategy is unsustainable and significant change is required
- redesign of the former resident service system and increasing access to mainstream service systems will provide the greatest impact for all former residents
- the most significant empowerment and sustained individual benefits come from therapeutic and recovery work, however there is no formula to this, it happens at the individual person's pace.

The Forde Foundation Review conclusions

The Forde Foundation Review concluded that the Forde Foundation is under considerable pressure as the:

- level of demand for funds by applicants continues to grow
- level of need of applicants is significant (particularly as applicant age increases)
- size of capital of the trust fund is potentially unsustainable due to demand
- size of grants distributed is small
- level of activity/effort required by the BOA and other agencies was high
- the cost of making grants is high
- benefit to client is not known.

Future directions

The Review suggests three options for consideration by the Queensland Government, Public Trustee of Queensland, and the BOA. These are:

- **Option 1. Run down the capital** by continuing the fund in its current form and expending the trust funds capital over a 10 year period. There is potential to respond to the needs of new groups however the BOA might recommend to the Trustee to prioritise older people.
- **Option 2. Preserve the capital** by not exceeding the earnings on the capital in funding round distributions. The number of funding rounds and the value of grants might decrease. A targeted strategy to limit demand for grants would be to focus on developmental and planned support needs (for example - case management) and oral health. This option is a shift away from needs based grants towards fund rationing and preservation.
- **Option 3. Strategic philanthropy** proposes funding research projects which might inform policy and service delivery and influence key decision makers. This option potentially preserves the perpetual nature of the trust fund. Former residents' day-to-day needs would have to be met through mainstream and specialist services. Changes to the Deed of Trust might be necessary.

The Review identified the need for any changes in the operation of the Foundation to be well communicated and managed. The role of the BOA in demonstrating ongoing leadership in stakeholder engagement is recognised in the future implementation of changes to the Forde Foundation.





