

## Public Accounts and Estimates Committee

## Inquiry into the 2023-24 Financial and Performance Outcomes

22 November 2024

## Department of Families, Fairness and Housing

## Witnesses:

- Ms. Peta McCammon
- Ms. Annette Lancy
- Mr. Argiri Alisandratos
- Ms. Sherri Bruinhout
- Mr. Danny O’Kelly
- Mr. Simon Newport
- Ms. Melanie Heenan
- Mr. Drew Warne-Smith

## QUESTIONS ON NOTICE

## QUESTION 1 – Housing

**What is the total cost and how many properties have been purchased from private owners to build government social homes?**

**Bev McARTHUR:** *Thank you. Has any land been purchased from private owners on which to build government social homes?*

**Simon NEWPORT:** *I do not have those details specifically in front of me, but yes, there is an acquisition program, particularly for homes, which obviously would involve buying properties from the private sector. I would have to provide more detail to you on that.*

**Bev McARTHUR:** *If you could take that on notice – what the cost of that is – please.*

**Simon NEWPORT:** *Sure.*

*Hearing Transcript, p. 4*

**Name of Committee members asking question: Ms Bev McArthur**

## RESPONSE

## Answer:

Big Housing Build Delivery Channel 4 includes an *In Progress* and *Ready to Build* program, to partner with the private sector to purchase and deliver new social housing dwellings to be purchased ‘off the plan’. Commencing in 2020, this program was allocated \$624 million to deliver 1,295 dwellings. As at 30 June 2024, \$511 million had been committed for projects delivering 1,019 dwellings.

## QUESTION 2 – Housing

**What is the breakdown of actual funding under the new and existing projects that make up the Big Housing Build?**

**Bev McARTHUR:** *Can you build them cheaper than the private sector?*

**Simon NEWPORT:** *No, but our unit cost has come down about \$85,000 a home in the last 12 months. In terms of our base build costs, yes, we are comparable.*

**Bev McARTHUR:** *What is the breakdown of actual funding under the new and existing projects that make up the Big Housing Build?*

**Simon NEWPORT:** *Sorry, can you repeat that question?*

**Bev McARTHUR:** *What is the breakdown of actual funding under the new and existing projects that make up the Big Housing Build?*

**Simon NEWPORT:** *I am not quite sure how to answer that question. There has been no change to the budget. So when you say ‘between new and existing’, I can tell you the change between delivered versus community housing delivered, but I am not quite sure what your question is driving at, to be honest. Can I get you to rephrase it?*

**Bev McARTHUR:** *Perhaps if you can find us that information.*

**Simon NEWPORT:** *Yes, okay.*

**Bev McARTHUR:** *Do you want to give it to us now?*

**Simon NEWPORT:** *No, if you could –*

**Bev McARTHUR:** *Yes, take it on notice. That would be terrific.*

*Hearing Transcript, p. 4*

**Name of Committee members asking question: Ms Bev McArthur**

### RESPONSE

#### Answer:

The \$5.3 billion investment for the Big Housing Build (BHB) comprises three elements:

- capital funding as reported within *Budget Paper 4 – State Capital Program*;
- grants provided to the community housing sector for construction of new social homes through the Social Housing Growth Fund (SHGF); and
- output funding.

Within *Budget Paper 4 – State Capital Program*, the Big Housing Build is shown on the following lines:

- **Existing Projects – ‘Big Housing Build (statewide)’** (Total Expected Investment (TEI) = \$2.3 billion): The TEI decreased by \$740 million as a result of transfers to grant-funded construction programs for the community housing sector and to Ground Lease Model Project 1 for the expanded scope of the project.
- **Existing Projects – ‘Homes Victoria Ground Lease Model Project 1 (metropolitan)’** (TEI = \$517 million): The TEI increased reflecting the transfer of BHB funds to deliver 286 social and affordable homes. The updated TEI includes project development, demolition, procurement costs, capital contribution and construction costs being funded by Building Communities.
- **Existing Projects – ‘Homes Victoria Ground Lease Model Project 2 (metropolitan)’** (TEI = \$687 million). The TEI includes project development, demolition, procurement costs, capital contribution, and construction costs being funded by Building Communities.
- **Completed Projects – ‘Big Housing Build physical improvements (statewide)’** (TEI = \$184 million): The TEI reflects four years of funding consistent with the 2020-21 Budget for improvements to social housing. This project has been completed.

Source: 2024-25 BP4, pp. 150-152

As reported in each year's Budget Papers, there will be movements between the capital and operating components of the BHB program. However, there are no changes to the overall funding or commitment to deliver over 12,000 new social and affordable homes by 30 June 2028.

Other than the entries listed above, no other projects listed within *Budget Paper 4 – State Capital Program* initiative tables include BHB funding.

**QUESTION 3 – Housing****How much of the Big Housing Build was spent on consultancy or output funding?**

**Bev McARTHUR:** How much of the Big Housing Build was spent on consultancy or output funding?

**Simon NEWPORT:** The consultants' information is disclosed in the annual report. I do not have the specific breakdown between every program.

**Bev McARTHUR:** Could you find that for us?

**Simon NEWPORT:** Yes, we certainly could.

**Bev McARTHUR:** Thank you. If you would just give it to us on notice, that would be terrific.

*Hearing Transcript, p. 4-5*

**Name of Committee members asking question: Ms Bev McArthur**

**RESPONSE****Answer:**

Consultants are contracted by Homes Victoria to provide commercial advice and transaction management support for selected projects within the Big Housing Build.

Consultant fees are based on rates agreed by the Department of Treasury and Finance under its Professional Advisory Services panel arrangements. The services provided supplement the skills of Homes Victoria project teams for time limited periods.

Table 1: Breakdown of contracting spend by Big Housing Build Program in 2023-24

Consultant	Program	Purpose of consultancy	Total approved project fee	Expenditure in 2023-24	Future expenditure
Ontoit	Ground Lease Model 2	Project and transaction management services	\$5,577,991	\$1,436,274	\$1,056,637
Ernst & Young	Delivery Channel 2	Commercial advice	\$142,348	\$142,348	-
Ernst & Young	Ground Lease Model 1	Commercial and financial advisory services	\$184,742	\$116,026	-
Rixstewart	Ground Lease Model 2	Managed Services Advisor	\$179,438	\$26,034	-
Total				\$1,720,682	

Source: DFFH Annual Report 2023-24, pp. 96-99

Note: all figures in the table are excl GST

Big Housing Build output funding is referenced in question two on notice.

**QUESTION 4 – Housing****Housing expenditure:**

- **What was the \$81.5 million for base housing renewal in 2023-24 spent on? Did any of the funding come out of the Big Housing Build?**
- **What was the \$15.9 million allocated to social housing pipeline projects in the budget spent on? Did that funding come out of the Big Housing Build?**
- **What was the \$24 million allocated to minor capital works in 2023-24 spent on?**

*Bev McARTHUR: What was the \$81.5 million for base housing renewal in 2023–24 spent on?*

*Simon NEWPORT: That base program is to deliver, if you like, a base capital, new supply and an upgrade program that is, if you like, self-funded from within Homes Victoria – as opposed to separate programs of work, perhaps, like the Big Housing Build or the Regional Housing Fund et cetera. So that is, if you like, our core building program. I could get you the break-up of individual components of that, but effectively it is new supply and some upgrades.*

*Bev McARTHUR: That would be great. Did any of the funding come out of the Big Housing Build?*

*Simon NEWPORT: For that program, no. That is separate from the Big Housing Build.*

*Bev McARTHUR: What was the \$15.9 million allocated to social housing pipeline projects in the budget spent on?*

*Simon NEWPORT: I would have to get back to you on the \$15.9 million explicitly, as to what that program was –*

*Bev McARTHUR: Okay, we would be grateful for that information. Thank you. Also, did that funding come out of the Big Housing Build?*

*Simon NEWPORT: No, the Big Housing Build is quite a defined program and separately reported.*

*Bev McARTHUR: What was – you might need to take this on notice too, at the rate we are going – the \$24 million allocated to minor capital works in 2023–24 spent on?*

*Simon NEWPORT: That I would have to check, but normally that is upgrades.*

*Bev McARTHUR: Okay, And that, I am assuming, did not come out of the Big Housing Build?*

*Simon NEWPORT: Correct.*

*Hearing Transcript, p. 5*

**Name of Committee members asking question: Ms Bev McArthur**

**RESPONSE****Answer:**

The 2023-24 State Budget committed \$82 million for 'Base Housing Renewal 2023-24 (statewide)' (Source: BP4 2023-24, p. 128). This program is funded from the sale of properties which are in poor condition, not meeting environmental or accessibility standards, or situated in less-than-ideal locations. Every dollar from the proceeds of sales is reinvested into renewing social housing through a combination of construction and acquisition of properties.

The 2023-24 State Budget committed \$16 million for 'Social Housing Pipeline projects (statewide)' (Source: BP4 2023-24, p. 129). This funded a pilot project in the West which constructed 62 new public housing dwellings and 45 private housing units. The sale of the private housing offset the construction cost of the public housing. Development occurred across several suburbs on Homes Victoria land including Norlane, Corio, Albion, Braybrook, Laverton and Maidstone.

The 2023-24 State Budget committed \$24 million for 'Minor capital works 2023-24 (statewide)' (Source: BP4 2023-24, p. 128). Minor capital works includes refurbishments to social housing properties and community facilities, services upgrades, disability modifications and associated costs.

**QUESTION 5 – Housing / Prevention of Family Violence****Location (suburb) of 15 completed core and cluster refuges.**

**Bev McARTHUR:** The 2023–24 budget allocated \$26.7 million for refuge and crisis accommodation. How many new homes have we built under this program?

**Simon NEWPORT:** There have been 15 refuges built so far and seven either in construction or in design right now.

**Bev McARTHUR:** How much has been paid to accommodation providers?

**Simon NEWPORT:** I might need to call upon my homelessness Executive Director to answer that question, if that is okay, or we could take that on notice, whichever you prefer. Sherri, did you want to answer that one? Yes, it might be a good idea.

**Nick McGOWAN:** There were seven. Can you provide the list of where those seven are in terms of suburb – clearly not address.

**Sherri BRUINHOUT:** Mel, you have got that, haven't you?

**Bev McARTHUR:** The 15 refuges that have been built – give us the list.

**Sherri BRUINHOUT:** We have got that here now.

**Melanie HEENAN:** If you are referring, Mrs McArthur, to the 22 new core-and-cluster refuges, so the refuge build program – is that what you are referring to?

**Bev McARTHUR:** Yes, the refuge and crisis accommodation that was allocated in the budget. How many of those new homes have been built under this program – 15?

**Melanie HEENAN:** Just as a point of distinction, they are not a new home; they are a new core-and-cluster refuge. They are to support victim-survivors of family violence and their children who are escaping family violence at that very serious end. They are at risk of very serious harm. The builds are actually for a core-and-cluster refuge, which allows them to come into a refuge and have discrete accommodation. There are separate units where they can have a very homelike environment for usually women and their children and their pets. And there is a core to the cluster, which is where all of the services are available to victim-survivors to be what they call in reach, so that they can provide case management support, possibly nursing support, perhaps education support for young children who might be in refuge. Fifteen of those 22 core-and-cluster refuges have been handed over and are being operated, and there are the remaining seven that my colleague was just referring to in terms of where they are in their final builds.

**Bev McARTHUR:** Yes. We will just take that detail of geography on notice.

**Simon NEWPORT:** Sure. I can certainly answer where the seven are yet to be finished.

**Bev McARTHUR:** Okay. All right.

**Simon NEWPORT:** There is one at Melton South, which is handing over any day now, and Bairnsdale, within about five months. There are two facilities at Warrnambool, one at Horsham and two more: one in southern Melbourne – the site is yet to be acquired – and western Melbourne, yet to be acquired.

**Hearing Transcript, p. 5-6**

**Name of Committee members asking question: Ms Bev McArthur**

**RESPONSE****Answer:**

A total of 15 core and cluster refuge projects have been completed in the following locations:

- Morwell
- Mildura
- Werribee
- Mentone
- Rowville
- Frankston
- Reservoir
- Broadmeadows
- Preston
- Ashwood
- Leopold
- Ardeer
- South Morang
- Wodonga
- Shepparton

**QUESTION 6 – Housing**

**How many of the 4,026 homes are affordable or market homes?**

**What is the split between Social and Affordable?**

*Bev McARTHUR: Well, according to the Homes Victoria website's 'What's happening in my area?' page between 23 and 24, 4026 homes were completed. Does 'completed' mean these dwellings were built or built and spot purchased?*

*Simon NEWPORT: It means all homes delivered, so it will be built as well as if there has been a property acquired.*

*Bev McARTHUR: How many of those 4026 homes are affordable or market homes?*

*Simon NEWPORT: I do not believe any would be market. I would have to get back to you, but I would be pretty certain there would be no market properties, and I would have to get you the split between social and affordable. The vast majority would be social.*

*Bev McARTHUR: Okay. Thank you.*

*Nick McGOWAN: Would you come back to us on that?*

*Simon NEWPORT: Of course.*

*Hearing Transcript, p. 8-9*

**Name of Committee members asking question: Ms Bev McArthur, Mr Nick McGowan**

**RESPONSE****Answer:**

The information contained within the 'What's happening in my area' section of the Homes Victoria website reflects the cumulative multi-year total new homes information. The website currently reflects 9,378 homes completed (as at end of October 2024).

In 2023-24, 2,938 new social homes were added (Source: DFFH Annual Report 2023-24, p. 67). In addition, 206 affordable and 405 market homes (which were part of developments that also built 478 social homes) were completed (Source: DFFH Annual Report 2022-23, p. 52 and DFFH Annual Report 2023-24, p. 67; Internal Homes Victoria data).



## QUESTION 7 - Children

### How many Therapeutic Care Packages (TCPs) are in place for children in residential care, foster care and kinship care?

**Nick McGOWAN:** *How do you verify whether the targeted care package funds are actually being spent in support of whatever aspects it is designed to do when the children will return to the home, if in fact they return to the home as opposed to some other form of care, be it kin care or community or whatever it is?*

**Danny O'KELLY:** *The TCP funding will go through funded organisations that we have service agreements and contracts with. We would be monitoring what was happening through our normal contract management and oversight processes. Also, particularly with TCPs, there will be an active care team and case management process happening around the young person, so if there were concerns that funds from a TCP were not being used in the way that was set out in the TCP plan, we would need to address that. So the oversight happens through the contract work that we do, through the care teams and through working with the young person around making sure that the expenditure is meeting the needs that have been identified through their care plan.*

**Nick McGOWAN:** *Do you have a breakdown for us of how many TCPs are in place for children in res care and in home care?*

**Annette LANCY:** *I do not have that with me. We could take on notice if we are able to provide that.*

**Nick McGOWAN:** *That would be great. Is there some sort of audit process? I understand what you say about the community organisations who are overseeing and implementing this, but is there an audit process that the department has to ensure that these targeted support packages are actually working? How do you assess it, other than what the community organisations say to you?*

**Danny O'KELLY:** *We are monitoring, so care teams are monitoring the effectiveness of a TCP in supporting the young person. We also take feedback from young people, particularly young people as they are getting towards leaving care, about the effectiveness or not of the supports provided through a TCP. But there is oversight that is done by us around all of our contracted obligations. We are monitoring to see whether or not the expenditure is happening in accordance with what was in the plan, and that includes agencies needing to come back and provide it. It is fairly detailed information about what we signed up for in the TCP and what has been spent. It is a program where we do actively recoup funds if they have not been used, because we are monitoring the use of those TCPs closely. It is fairly specific expenditure. It is not that difficult for us to get it back from the agency – 'You said, with the young person, you were going to spend funds on these things.' They need to come back to us with a reconciliation of how those funds have been expended.*

**Nick McGOWAN:** *If you could also provide that in terms of breakdown obviously for foster and kin care as well, in terms of just the broad numbers, that would be great.*

**Hearing Transcript, p. 14-15**

**Name of Committee members asking question: Mr Nick McGowan**

## RESPONSE

### Answer:

A Targeted Care Package (TCP) is an allocation of funding to provide a child or young person appropriate supports to prevent entry or support exit from residential care.

TCPs are to be used to ensure children are safe, healthy and living in stable arrangements that provide better outcomes than residential care. As such a child or young person can only receive a TCP when they are transitioning out of residential care into an alternative living arrangement or as a tool to prevent entry into residential care. Some time-limited transitional supports may commence prior to the full implementation of the TCP and the closure date of the prior placement (for example, to support transition out of residential care).

As at end October 2024, 544 children and young people have an active TCP. In relation to the requested breakdown for foster and kinship care, of the 544:

- 32 children and young people were residing in foster care
- 208 children and young people were residing in kinship care.

**QUESTION 8 – Children****How many young people are there in residential care who are on bail?**

**Nick McGOWAN:** *In respect to residential care, do we know how many of those young people – it could be any form of involvement with the law in fact. For example, how many of them would be on bail?*

**Danny O’KELLY:** *Specifically on bail, we would have to come back to you. But at the moment in terms of residential care – and I am always conscious that these numbers are very dynamic; it could be different from today to tomorrow – in terms of co-clients with YJ, under the protocol, there are 15 young people who are active, but that could shift, who are in residential care. There are also kids we are working with in the child protection system who are with their parents or who are with kinship care or home-based care who are also interacting with the youth justice system.*

**Danny O’BRIEN:** *Sorry, 15 in resi care who are interacting with the –*

**Danny O’KELLY:** *Who are dual clients – active youth justice clients.*

**Danny O’BRIEN:** *Right. Yes.*

*Hearing Transcript, p. 15*

**Name of Committee members asking question: Mr Nick McGowan, Mr Danny O’Brien**

**RESPONSE****Answer:**

As of 31 October 2024, 39 young people in residential care were on bail, inclusive of the 15 who are dual Youth Justice clients.

**QUESTION 9 – Children****How many children in residential care are on a reunification order?**

**Nick McGOWAN:** Any scenarios where a young person has been returned to their home with a targeted care package because there is no available res care, foster care, kin care and so on and so forth.

**Danny O’KELLY:** No, it would not be because of that. There might be circumstances where the assessment process and the care processes – we have got young people in residential care who are on reunification orders, and one of the things we –

**Nick McGOWAN:** So which orders?

**Danny O’KELLY:** So reunification orders, where what we are trying to do or what the court has determined is that our work needs to be focused on reunifying the young person with family.

**Nick McGOWAN:** It is a really good point. How many would you have on reunification orders?

**Danny O’KELLY:** I would have to – it is not a small number, but we would have to take that on notice.

**Nick McGOWAN:** Is it quite large? You can obviously provide that to us later, but is it a sizeable number?

**Danny O’KELLY:** There are a fair few in resi, but I would prefer to take that on notice so we could provide – and again, it is a dynamic figure; it moves around. But we were –

*Hearing Transcript, p. 15-16*

**Name of Committee members asking question: Mr Nick McGowan**

**RESPONSE****Answer:**

As of 19 November 2024, there were 90 children and young people in residential care subject to a Family Reunification Order as determined by the Children’s Court of Victoria under section 287 of the *Children, Youth and Families Act 2005*.

**QUESTION 10 – Children**

**How many children in residential care were referred to drug and alcohol services in the last reporting period?**

**Nick McGOWAN:** *Sure. Thank you for that. In respect of the kids and young people who are in res care again, do you administer guidelines to the organisations you work with in respect to how staff are expected to, I suppose, both interact and supervise children who are drug affected or taking drugs or known to have taken drugs? How do they understand what your expectations are in their management of those children?*

**Danny O’KELLY:** *So yes, there are – and the starting premise is effectively a sort of zero tolerance to substance use in the house. That is our starting point, and if I walk back from that, we do have young people who have significant vulnerability. They may well be grappling with issues of addiction and substance use, so what we ask staff to do is work with the young person in understanding in the first instance that they cannot do that in the house, that we are clear on that, and then we walk back in terms of all young people who live in residential care where we know there might be drug and alcohol issues at play, that they are referred to and engaging with a drug and alcohol provider.*

**Nick McGOWAN:** *Could you tell us how many were referred in the last reporting period?*

**Danny O’KELLY:** *I would have to take that on notice.*

**Nick McGOWAN:** *Please. Thank you.*

**Danny O’KELLY:** *And again, yes, it is a sort of dynamic process, but we will be able to provide –*

*Hearing Transcript, p. 16*

**Name of Committee members asking question: Mr Nick McGowan**

**RESPONSE****Answer:**

As at 14 November 2024, there were approximately 152 young people in residential care who were referred to Alcohol and other Drug Services. This includes young people who were referred to Alcohol and other Drug services prior to placement in residential care, and those referred to Alcohol and other Drug services once in residential care.

**QUESTION 11 – Children**

**Provide a copy of the guidelines relating to drugs and alcohol within residential care.**

**Nick McGOWAN:** *Sure. Thank you for that. In respect of the kids and young people who are in res care again, do you administer guidelines to the organisations you work with in respect to how staff are expected to, I suppose, both interact and supervise children who are drug affected or taking drugs or known to have taken drugs? How do they understand what your expectations are in their management of those children?*

...

**Nick McGOWAN:** *Are we also able to see a copy of the guidelines that you provide?*

**Danny O’KELLY:** *Yes. They are publicly available, so that should be fine.*

**Hearing Transcript, p. 16-17**

**Name of Committee members asking question: Mr Nick McGowan**

**RESPONSE****Answer:**

The program requirements for residential care outline CSO and ACCO responsibilities for the management of alcohol and substance use by young people: [Program requirements for residential care in Victoria Oct 2016 \(word\) - DFFH Service Providers](#) (section 2.3.7, page 20). The program requirements include "*Management Response to Inhalant Use: Guidelines for community care and drug and alcohol sector*" (2003) (Attachment 1). These guidelines were developed for front line workers in services funded by the department who are working with people who use inhalants.

In addition to the above, each model of therapeutic residential care has additional program requirements that specifically apply to delivery. These documents include additional requirements related to alcohol and substance use and are noted below:

1. [Program requirements for the delivery of therapeutic residential care in Victoria \(word\) - DFFH Service Providers](#) (page 25)
2. [Statewide Two and Three Bed Therapeutic Residential Care Program Guidelines \(Word\) - DFFH Service Providers](#) (pages 24 – 25)
3. [Statewide Keep Embracing Your Success \(KEYS\) program guidelines \(Word\) - DFFH Service Providers](#) (pages 32-33)

**QUESTION 12 – Children****How many reports were there over 12 months of children in residential care using drugs?**

**Bev McARTHUR:** Just to confirm, you have got children in residential care using drugs?

**Danny O’KELLY:** No, not in residential care. No, I do not think that is what I said. There are young people –

**Bev McARTHUR:** Well, you said they bring things in.

**Danny O’KELLY:** What our policy framework says is when circumstances arise that a young person brings substances into the house, our expectation is that you do everything you can, safely, to remove those items from the young person.

**Danny O’BRIEN:** Are they required to report that?

**Danny O’KELLY:** The removal?

**Danny O’BRIEN:** Yes. The question is how many kids are trying to use drugs in –

**Danny O’KELLY:** They would report that in their daily sort of worksheets and their client –

**Danny O’BRIEN:** That is what I am asking. Are you able to tell us, over the year, how many reports there were of children using drugs in resi care?

**Danny O’KELLY:** Of children using drugs in resi care?

**Danny O’BRIEN:** Or attempting to, whatever you want to define it as.

**Danny O’KELLY:** The removal of material, of contraband, from a young person would not necessarily constitute an incident report, but it would be captured in terms of the care team’s involvement and work.

**Danny O’BRIEN:** That is what I am asking. Can you provide whatever data you have on that?

**Danny O’KELLY:** Yes, we can take that one on notice.

**Danny O’BRIEN:** Thank you.

*Hearing Transcript, p. 17*

**Name of Committee members asking question: Mrs Bev McArthur, Mr Danny O’Brien**

**RESPONSE****Answer:**

Residential care providers are required to submit client incident reports when they become aware of an event or circumstance that resulted in harm, or reasonably likely to cause serious harm, to children and young people living in residential care. This includes dangerous actions that cause harm to the young person or place the young person at risk of harm, including the misuse of drugs, alcohol or other substances.

These incident reports are submitted using the Client Incident Management system under the category ‘Dangerous actions – client.’ An incident report is submitted when the dangerous behaviour has occurred anywhere in the community, not just when the young person is present at their residential care home.

Between 1 July 2023 - 30 June 2024, there were 196 incident reports submitted in the Client Incident Management system by residential care providers under the incident category ‘Dangerous actions – client’ that included at least one of the following words in the description field: ‘drugs’, ‘illicit substance’, ‘cannabis.’

On 9 December 2024, the ‘Dangerous actions – client’ category in the Client Incident Management system will be retired, and incidents of this type will be recorded in the ‘Serious Risk’ category.

**QUESTION 13 – Children****How many reports to child protection reach the threshold for further investigation?****How many for the past several years?**

**Nick McGOWAN:** Are you able to break these down in terms of how many of those cases are sexual exploitation, how many of these involve adult perpetrators, how many of these involve members of the public?

**Peta McCAMMON:** I do not know whether we –

**Annette LANCY:** We would not at the report stage, because what we do is make an assessment based on the information that is provided as to whether it meets the threshold for further investigation by the child protection service, and then the child protection service would engage with the family. They have a period of time to ascertain whether there has been harm or neglect occurring or at high risk of occurring, and then at that stage they would classify –

**Nick McGOWAN:** Sorry to interrupt you there; we are just running out of time. Of the 139,000, how many would reach the threshold then for further investigation?

**Annette LANCY:** Only around a third of reports, and that has been consistent for several years, Mr McGowan.

**Nick McGOWAN:** Would you mind coming back to me with the specific figures for the last several years, if that is possible, just as a comparator?

**Annette LANCY:** Absolutely. I think it is on our website as well. I think we report it, but we can –

**Nick McGOWAN:** Okay. Thank you.

*Hearing Transcript, p. 18*

**Name of Committee members asking question: Mr Nick McGowan**

**RESPONSE**

**Answer:**

**Table 1: Number of investigations from reports to Child Protection Services about the wellbeing and safety of children**

	<b>2023-24</b>	<b>2022-23</b>	<b>2021-22</b>	<b>2020-21</b>	<b>2019-20</b>	<b>2018-19</b>
<b>Actual</b>	41,140	39,404	35,518	33,320	34,570	37,774
<b>Target</b>	39,100	39,100	39,100	39,100	39,100	38,111
<b>Variation</b>	5.2%	0.8%	-9.2%	-14.8	-11.6	-0.9

**Note:** This information is reported publicly in the Department of Families, Fairness and Housing Annual Report.

**QUESTION 18 - Veterans**

**Reduction in the Veterans budget in 2023-24 totals \$5.4 million. \$1 million is Veterans Card. What is the other \$4.3 million?**

**Danny O'BRIEN:** *Just on veterans, in the May hearing, Secretary, we had a discussion about the 39 per cent reduction in the veterans budget. The minister said that that was largely due to last year's implementation of the veterans card, the Victorian veterans card, but that cost about a million dollars. What I am trying to find out is what happened to the other \$4.3 million that was left over? Sorry, it is a \$5.4 million reduction in this year's budget. The minister said the services card cost a million. Were there staff reductions, were there other programs that were cut in the veterans sector for this year?*

**Peta McCAMMON:** *I do not have that detail in front of me, unless –*

**Danny O'BRIEN:** *Could I ask you to take it on notice?*

**Peta McCAMMON:** *Yes, we can come back to you on that.*

**Danny O'BRIEN:** *Thank you very much.*

**Hearing Transcript, p. 28**

**Name of Committee members asking question: Mr Danny O'Brien**

**RESPONSE****Answer:**

The Support to Veterans in Victoria output 2023-24 result published in the DFFH Annual Report 2023-24 reflects the actual outcome, updated since publication of the 2024-25 State Budget Papers.

The Support to Veterans in Victoria output actual in 2023-24 was \$10.9 million (DFFH Annual Report 2023-24, p. 64). The Support to Veterans in Victoria output target in 2024-25 of \$14.4 million (2024-25 BP3, p. 116) is therefore higher than the 2023-24 actual.

As noted in the DFFH Annual Report 2023-24, the variance between the 2023-24 target and actual reflects funding re-cashflow for the Museum to Honour Australian Vietnam Veterans Forever initiative to align with the revised project delivery timeline. The uptake of the Veterans Card – Victoria was lower than budgeted in the first year of the initiative and uptake remains steady.



**QUESTION 19 – Housing****Breakdown of vacant public housing dwellings by postcode****What proportion of public housing vacancies are due to maintenance issues?**

**Aiv PUGLIELLI:** Thank you. Looking at an overview across the state, are you able to provide the committee with a breakdown of how many public housing dwellings in total are currently vacant across the state and maybe disaggregate them by postcode, if you can?

**Simon NEWPORT:** Well, postcode –

**Aiv PUGLIELLI:** You are welcome to take it on notice if need be.

**Peta McCAMMON:** We do have some detail around percentages, because I am just conscious that is probably a pretty dynamic situation in terms of vacancies. Do you have it there, Danny or Simon, what the percentage is?

**Simon NEWPORT:** I can provide vacant statistics, but I hope you forgive me for not having the postcode information.

**Aiv PUGLIELLI:** If you can take that aspect on notice, that would be really appreciated.

**Simon NEWPORT:** Of course.

**The CHAIR:** Actually, Mr Puglielli, I think Mr Newport has some further information that he wanted to give you. The point of the public inquiry is to ask questions, not just assume that everything will be taken on notice, or there would be no point of these inquiries. Mr Newport, do you have any further information you wish to provide? Perhaps it is broken down by LGA.

**Simon NEWPORT:** I certainly have statistics at the moment, and I will defer to my colleague Mr O’Kelly for any further information.

**Danny O’KELLY:** Certainly, and again not by LGA. At the end of the last financial year we had 1.8 per cent of the public housing stock in the re-letting process, so we were actively seeking to re-let those properties. It is lower than that previous year, and it has been trending in a really positive direction in terms of getting our public housing properties back on the –

**Simon NEWPORT:** I can answer, Danny, if that is okay. I have just turned the stat, if that is okay.

**Danny O’KELLY:** You found the piece I was looking for.

**Simon NEWPORT:** I do. I can give you updated figures to 30 September. As of 30 June we had 1157 vacant homes that were in various stages of re-letting and another 1494 properties which are being held for asset management purposes. In total that is 2651. That is 1092 properties less than the same time last year, so a significant reduction, and there has been a slight reduction in the last three months as well, particularly on the properties available for re-letting. We are trying to work the portfolio as hard as we can and get as many people housed as quickly as we can.

**Aiv PUGLIELLI:** Have any of those been vacant for more than three months?

**Simon NEWPORT:** I do not have those statistics available. There will be particularly in the assets held for asset management. I will give you an example of where a property suffers significant damage, say, like a fire, there are a number of processes that we have to walk through before we can determine what we are going to do...

**Aiv PUGLIELLI:** For the numbers you have given, are you able to tell the committee what proportion of those are vacant due to maintenance issues?

**Simon NEWPORT:** The asset management ones – there would be a subset of those again, and some of those are held because we have got some longer term decisions. As an example, at the moment some of those numbers would also include the towers that we are relocating renters for as well. We can certainly provide a little bit more of a breakdown for you.

**Hearing Transcript, p. 34**

**Name of Committee members asking question: Mr Aiv PUGLIELLI**

**RESPONSE**

**Answer:**

As at 30 June 2024, there were 422 public housing properties that were vacant and undergoing maintenance outside the standard vacated maintenance process (which gets homes ready for new renters). Reasons for additional maintenance include undergoing an upgrade or conversion, remediation works, or disability modifications being installed.

**Table 1: Breakdown of vacancies by Department of Families Fairness and Housing Areas as at 30 June 2024**

Division Name	Area Name	Vacant homes ready to be relet	Vacant homes in the reletting process	Vacant homes held for asset management purposes	Total
East	Goulburn	4	24	60	88
	Inner Eastern Melbourne	46	28	91	165
	Outer Eastern Melbourne	8	27	45	80
	Ovens Murray	22	2	39	63
North	Hume Moreland	8	29	77	114
	Loddon	10	6	40	56
	Mallee	21	4	13	38
	North Eastern Melbourne	158	151	314	623
South	Bayside-Peninsula	140	105	147	392
	Inner Gippsland	25	32	29	86
	Outer Gippsland	6	13	23	42
	Southern Melbourne	6	16	26	48
West	Barwon	17	17	58	92
	Brimbank Melton	5	4	41	50
	Central Highlands	37	18	32	87
	Western Melbourne	67	81	414	562
	Wimmera South West	9	11	45	65
<b>Total</b>		<b>589</b>	<b>568</b>	<b>1,494</b>	<b>2,651</b>

The dwellings have been categorised by the following:

- Vacant homes ready to be re-let: Properties in the process of making offers and sign ups, or properties undergoing standard vacated maintenance to ready the property for the next occupant.
- Vacant homes in the re-letting process: Properties to be re-tenanted that are undergoing pre-tenanting local action such as management of goods left behind, non-standard vacant maintenance, management of hazardous materials, or properties under staged release for re-tenanting.
  - Vacant homes held for asset management purposes: These properties are not suitable for renting even in the short term. This may be because that property may:
    - have major capital works being carried out on them, like receiving new flooring, new kitchen or a new bathroom
    - be part of a planned redevelopment program and it is pending demolition or
    - be at the end of life and be identified for sale with proceeds reinvested in other housing.

Of the 1,494 vacant properties held for asset management purposes at 30 June 2024:

- 701 were on a redevelopment or upgrade program funded through Homes Victoria's base program, the Regional Housing Fund, Housing Support Payment Funding or from the Housing Statement. This includes:
  - 320 homes in the high-rise towers flagged for redevelopment

- 282 end of life low rise homes that are being demolished for new housing and
- 99 homes that are being upgraded.
- 39 were either in the process of entering or leaving leases in the private market.
- 103 were being managed by the local office to complete extensive works.
- 367 were early to mid-life homes that had suffered damage and needed extensive works to be brought back to a tenatable condition.
- 93 homes were vacant across 4 sites comprising of 60 to 70-year-old concrete walk-up flats that had either sustained fire damage, were in poor structural repair or had significant vacancies and options were being assessed for redevelopment or renewal.
- 21 homes were end of life and had been identified for redevelopment and were pending demolition.
- 63 were at the end of life and identified for sale with proceeds used to fund development on other sites that are better suited for public housing.
- 107 homes were either at end of life and / or damaged and were subject to a review to determine the asset intent.

**QUESTION 20 – Housing**

**How much is the department paying to Community Housing Providers to cover the cost of the rent matching commitment?**

**Aiv PUGLIELLI:** *Just regarding arrangements of the housing tower relocations, I understand that Homes Victoria has promised public housing residents that they will not be paying higher rates of rent if they are relocated into community housing. How much is the department paying to community housing providers to cover the cost of that rent-matching commitment?*

**Simon NEWPORT:** *I would have to get back to you on notice, acknowledging that there are different arrangements for different properties. Just to explain that a little bit more fully, the properties administered by Community Housing Limited at Flemington are under a ground lease model, so that is a different commercial structure than the structure for Abbotsford Street, which a government build and community housing operating. That is, if you like, a bit simpler because we own it and the community housing provider is operating it for us under our management services agreement. The first one is obviously a very complex public-private partnership. I think we will be able to provide some details on that.*

**Hearing Transcript, p. 35**

**Name of Committee members asking question: Mr Aiv PUGLIELLI**

**RESPONSE****Answer:**

Homes Victoria covers any difference between the rents charged by the community housing provider and public housing rent settings for relocated renters for the period of their relocation.

Unlike public housing renters, renters in community housing are eligible for Commonwealth Rent Assistance (CRA). Renters who relocate to community housing are also expected to apply for CRA and contribute that towards rent.

The 2023-24 budget provided funding to kickstart the redevelopment of the first tranche of high-rise public towers in Flemington and North Melbourne.

## QUESTION 21 – Housing

**Detail how many offers have been made, and how many were accepted/rejected, for the following properties and any reason for declining of accepting a property:**

- Abbotsford St North Melbourne p 37
- 139 Hyatt St Richmond p 35
- 106, 108, 110, 112 Elizabeth St Richmond. p 36
- 95 Napier St p 36
- 125 Napier St p 36
- 90 Brunswick St p 36
- 140 Brunswick St Fitzroy p 36

**Aiv PUGLIELLI:** Community services have been told by the government the reason for high vacancy rates in Richmond estate is lack of demand for or interest in these properties. For the financial year 2023–24, how many housing offers were made for properties within the 139 Highett Street, Richmond.

**Peta McCAMMON:** I would be surprised if we have that with us today. We can see what we can provide, yes.

**Aiv PUGLIELLI:** Thank you.

**Simon NEWPORT:** If it is okay, I would just provide an answer to say that we talked about vacancy turnaround rates, and that is directly related to the question. The department has improved significantly in terms of its vacancy turnaround rates, but there is a significant difference between stock within the towers – and I know some of the stock you referred to is not, but this particular one in Highett is. We are finding that the average vacancy turnaround time for stock in towers is about 60 days, whereas the vacancy turnaround time for pretty much everything else – and the walk-ups sit somewhere in between – is under our target for 28 days. So the towers absolutely skew the numbers to about 40. It is not uncommon for us to have multiple offers, and without trying to shock the committee too much, we have had an instance where we have had to make over 25 offers on some properties in the towers. You can imagine that takes time, and each one has to be given an opportunity to inspect those. We will see what we can do about providing that information, but it is a significant factor.

**Aiv PUGLIELLI:** Thank you. For the same period, it would also be good to know how many offers were rejected for those properties, just to follow on. That would be much appreciated.

**Simon NEWPORT:** Okay. In that instance, 24. But I will provide all of that detail.

**Aiv PUGLIELLI:** Thank you. Just looking at a different site for the same financial year, how many offers were made for properties within the remainder of the Richmond estate towers, inclusive of 106, 108, 110 and 112 Elizabeth Street?

**Simon NEWPORT:** We can see what we can collect for that information, yes.

**Aiv PUGLIELLI:** And again how many were rejected would be useful, if that is okay.

**Peta McCAMMON:** Yes.

**Simon NEWPORT:** That may take some time, but we will see what is available.

**Aiv PUGLIELLI:** Thank you. Looking at a different estate, community services in the area have been told by government that families are not accepting three-bedroom homes at Atherton Gardens estate due to the estate being undesirable for families. So for the financial year 2023–24, could you provide the committee with how many housing offers were made for three-bedroom properties within Atherton Gardens estate, comprising 95 Napier Street, 125 Napier Street, 90 Brunswick Street and 140 Brunswick Street, Fitzroy?

**Simon NEWPORT:** Mr O’Kelly, do you want to respond to that assertion about people objecting?

**Danny O’KELLY:** We will not have it. Broadly speaking, the towers are harder to fill in terms of the vacancies. Across the state in almost every other housing office we are re-letting properties within 28 days, so we are turning the stock over really quickly and getting people into homes. We are seeing in the high-rise estates a higher number of rejections. In part it is just where our applications and where our demand are indicating people are wanting to go. But what you have described is true in terms of it being harder to fill those vacancies in those high-rise estates. We are doing everything we can in terms of identifying people off the VHR and making offers, but it has been more difficult to fill the vacancies in the estates.

**Aiv PUGLIELLI:** Just to follow on from that, if we could be told either today or in the future how many rejections for the properties I have listed have occurred, that would be useful.

**Hearing Transcript, pp. 35-37**

Name of Committee members asking question: Mr Aiv PUGLIELLI

## RESPONSE

### Answer:

**Table 1: Number of offers made, accepted and declined for vacant apartments at specified properties in 2023-24.**

Address	Offers made and declined	Offers made and accepted	Total offers
140 Brunswick Street, Fitzroy	6	7	13
90 Brunswick Street, Fitzroy	31	13	44
95 Napier Street, Fitzroy	37	12	49
125 Napier Street, Fitzroy	8	5	13
295 Abbotsford Street, North Melbourne	0	0	0
106 Elizabeth Street, Richmond	12	22	34
108 Elizabeth Street, Richmond	31	15	46
110 Elizabeth Street, Richmond	10	30	40
112 Elizabeth Street, Richmond	16	41	57
139 Highett Street, Richmond	0	8	8
<b>Total</b>	<b>151</b>	<b>153</b>	<b>304</b>

Properties in Richmond and Fitzroy may experience multiple offers and rejections for the following reasons:

- Some applicants may not find the properties suitable due to limited accessibility. For example, the design of the properties makes it impractical to fit a stepless shower or a toilet with sufficient circulation space to allow the use of mobility aids. These applicants are then assisted to update their application with Special Accommodation Requirements for access requirements.
- The housing stock at the above addresses in Richmond and Fitzroy are primarily older, high-rise towers, which are due to be retired and redeveloped to modern, accessible and energy-efficient homes, with better designed community facilities. Applicants have also reported that they would prefer to live in newer, modern builds, which are underway or have recently been completed.
- Some applicants report preferring not to live in high-rise towers due to concerns around lack of private green space (backyards), and social stigma associated with living in high-rise towers. These applicants are assisted to update their application with additional locations that have fewer high-rise towers.

The location of the properties in general is reported as undesirable for some applicants. Applicants are then assisted to update their application with additional, preferred locations.