

VERIFIED VERSION

PUBLIC ACCOUNTS AND ESTIMATES COMMITTEE

Inquiry into budget estimates 2014–15

Melbourne — 22 May 2014

Members

Mr N. Angus

Ms J. Garrett

Mr D. Morris

Mr D. R. J. O'Brien

Mr C. Ondarchie

Mr M. Pakula

Mr R. Scott

Chair: Mr D. Morris

Deputy Chair: Mr M. Pakula

Staff

Executive Officer: Ms V. Cheong

Witnesses

Ms M. Wooldridge, Minister for Community Services,

Ms G. Callister, Secretary,

Mr A. Rogers, Deputy Secretary, Service Design and Implementation Group, Director of Housing,

Ms K. Haire, Deputy Secretary, Community and Executive Services Group, and

Ms A. Congleton, Acting Executive Director, Corporate Services Group, Department of Human Services.

**Necessary corrections to be notified to
executive officer of committee**

The CHAIR — I declare open estimates hearing no. 40 for 2014, community services. I welcome the minister, the Honourable Mary Wooldridge, together with the Secretary of the Department of Human Services, Ms Gill Callister; Deputy Secretary, Service Design and Implementation Group, Director of Housing, Mr Arthur Rogers; Deputy Secretary, Community and Executive Services, Ms Katy Haire; and Acting Executive Director, Corporate Services Group, Ms Anne Congleton.

In accordance with normal practice, this hearing is being webcast on the parliamentary website. In accordance with the guidelines for public hearings, I remind members of the public gallery that they cannot participate in any way in the committee's proceedings. Departmental officers may approach the table during the hearing to provide information to the minister or other witnesses if requested, by leave of myself. Written communication to witnesses can only be provided via officers of the committee secretariat. Members of the media are requested to observe the guidelines for filming or recording proceedings in the Legislative Council committee room.

All evidence taken by this committee is taken under the provisions of the Parliamentary Committees Act, attracts parliamentary privilege and is protected from judicial review. Any comments made outside the hearing are not protected by parliamentary privilege, including any comments made on social media from the hearing itself. The committee does not require witnesses to be sworn, but I remind you all that questions must be answered in full and with accuracy and truthfulness. Any persons found to be giving false or misleading evidence may be in contempt of Parliament and subject to penalty.

All evidence given today is being recorded by Hansard. You will be provided with proof versions of the transcript for fact verification within two working days of this hearing. PowerPoint presentations, if any, will be placed on the committee's website as soon as they become available, and verified transcripts will be placed on the committee's website within five days of their receipt.

Following a presentation by the minister, committee members will have the opportunity to ask questions relating to this inquiry. Generally, the procedure followed will be that relating to questions in the Legislative Assembly. Sessional orders provide a time limit for answers to questions without notice of 4 minutes, while standing orders do not permit supplementary questions. It is my intention to exercise discretion in both matters; however I do request that each response be as succinct as is reasonable, recognising that these are often complex issues that we are dealing with.

I ask that all mobile telephones be turned off or to silent. The minister now has an opportunity for a brief presentation of no more than 10 minutes on the budget estimates for the community services portfolio. Welcome, Minister.

Overheads shown.

Ms WOOLDRIDGE — Thank you very much, Chair, and it is wonderful to be back again. This has been another very strong budget for community services and for vulnerable Victorians — families and children. I do just want to take you over at a high level some of things that have been happening. It is an increase in our budget of about 5.5 per cent, but I need to stress that combined with the increase in funding has been very significant funding of reform, and the two need to sit hand in hand so that we continue to meet the very significant demands in the community for people who need support. But as you can see from the graphs there are some good increases over the life of this government for child protection and family services, for disability services, and particularly for concessions for pensioners and beneficiaries, which is reflected largely in our move to the year-round electricity concession. Once again this builds on a very consistent theme of the government in relation to investing in this area, year on year, as we have seen over the last four budgets.

I just wanted to give you the strategic context in terms of the reform, which is absolutely critical to sit alongside the investment we are making. I am sure many times today we will refer to Services Connect, but essentially we are transforming the way that human services are delivered in this state, seeking to deliver integrated support for families, addressing their full range of needs with a key worker and one key plan coordinated across the entire human services system. You cannot deliver that without reforming the relationship between government and the community sector, and that is our service sector reform project, and there is good progress to looking at how the sector and government work together to deliver this new way of integrated and comprehensive delivery of services for families.

We also have individual strategies that sit underneath those two broad reform areas, which include our vulnerable children's strategy, our child protection operating model and our five-year out-of-home care plan. Two of those three were actually a result of the Cummins inquiry recommendations, and we of course have done the work to put in place the frameworks, the strategies, the outcome measures and the tangible actions to change and improve the way that we work with vulnerable families in this state.

There is also the whole-of-government family violence action plan bringing together for the first time a plan for the way that we address the issue of family violence in the context of an integrated response and some very significant and positive youth justice reforms as well.

To take you through each of the individual areas, as I have mentioned, just for Services Connect — and it is important that the committee understands this because it underpins so much of our work — we are changing what has been a silo-based system to an integrated system to work with families, so one key worker rather than multiple workers perhaps sometimes even with competing approaches and competing interests. There is one key worker to coordinate the response and to work with the family; one needs assessment — the family only needs to tell their story once, rather than the multiple times that they experience in the system now; one client record — and there is some significant investment in this budget to achieve that capacity to have one client record, which is a very big improvement — leading to one plan. There is one approach that reflects their full range of needs, whether it be disability support, whether it be family violence, whether it be family services, whether it be alcohol and drug treatment — one plan across the full range of service delivery areas.

This budget provides that we extend what has largely been trialled and driven by DHS into the community sector as a very significant next step in the reform process. We also have the capacity in this budget to develop an IT system that allows us to have that single client view, rather than multiple systems, and also the capacity to provide a lot more tools online so that families can self-serve; they can access that information themselves rather than needing to enter and get very deeply into the system to get what may only require something provided online.

In terms of our out-of-home care area, this has been a very significant investment over a number of budgets, and the investment in this budget adds to a very significant 90 million in last year's budget, the two of which combine to a \$128 million reform package for out-of-home care which was released about a month ago with the sector. This is a very significant increase in the funding available, but importantly it enables us to drive the reform where every young person in residential care over the life of the plan will actually be in a therapeutic placement. We know this leads to better outcomes. We know this leads to a greater capacity for young people to engage with schooling, to engage with family members and to address their health and wellbeing. It is a very, very positive step forward. We are also investing in broader therapeutic home-based care, as well as residential care, of course recognising the ongoing growth in the number of children in home-based care and providing funding to deliver supports for them.

We also have more workers in child protection. What you can see from this graph, for the committee, is that the pink line is the increase in reports, going up year after year. It is important of course that children and young people have those reports made if people have concerns. It has been fuelled, we believe, through things like the Victorian inquiry into sexual abuse in institutional care, the royal commission, high-profile cases and Ombudsman's reports. When these issues are in the media, more people report, and that is good, because the information is getting out. But of course that does mean we need to keep stepping up our capacity to respond. You will see from the blue line our capacity to continue to keep workers allocated to our children is being maintained in the face of very significant demand. We do invest in further child protection workers in this budget. We are also investing in Child FIRST, the front-line family-based service support for vulnerable families and children, and we are seeking to defer them from entering the child protection system if we can.

Family violence has also been invested in in this budget in the context of our action plan to address violence against women and children — once again, as I said, a whole-of-government initiative. The government invests about \$95 million in 13–14, and in the year ahead as well, to address issues in relation to violence, to prevent it, intervene early and also respond to it when it occurs. That investment continues. Of course that is in the context of broader investments that we make in other health and human services areas.

A very significant achievement over the last 12 months is the launch of the Foundation to Prevent Violence against Women and their Children, an initiative of Victoria in partnership with the commonwealth, located here

in Victoria, to actually drive a national approach and a real leadership approach in the prevention of violence against women and their children. A lot of our investment in the prevention initiatives will be driven towards the foundation in taking that national leadership role into the future.

Of course you will have heard in other portfolios other law and order responses that we have made across the board. This budget expands a successful demonstration project run in Barwon and Hume — the strengthening risk management initiative. We also expand sexual assault counselling and the successful common risk assessment framework tool that is used across the board to identify people who may be victims of family violence when they are presenting perhaps to an emergency department or to a disability service or to other places. Our entire workforce has the capacity or training to support them to identify family violence when it might be occurring, so that we can engage women in terms of accessing services.

Youth justice once again has seen some very significantly improved outcomes over the last four years, particularly, I have got to say, in the running of Parkville and Malmsbury in a whole range of areas — in security, in our workforce and in the decrease in the number of assaults. I am particularly proud of the work that has been done to launch Parkville College, our school in Parkville youth justice precinct, but also at Malmsbury, and it is expanding to other sites. It is a very successful model. It is very important for young people to be able to continue their education even when they are in a youth justice facility.

Previously we funded the expansion of Malmsbury youth justice facility. This budget continues this successful youth support service which is helping us to intervene early with young people who come in contact with police to help prevent an escalation of their offending behaviours, and it is proving to be very, very successful. I am pleased to be able to continue that and also getting ready for the opening of Malmsbury.

Just to conclude, in terms of concessions another very significant area of investment of the government for concession card holders — pensioners, health-care card holders and veterans — has been an increase of 200 million over the last four years, from \$300 million approximately to \$500 million in terms of the utilities concessions that are provided. We understand the pressure that families are under and have been very pleased to be able to support that with very significant investment in concessions to enable them to pay bills and so on.

Obviously there has been the cut of the concessions national partnership agreement with the commonwealth — that was announced in the commonwealth budget — and the coalition government has committed to make up that difference of 73 million that is cut out of next year's budget, but it is an area of significant concern and something that we are already advocating and will continue to advocate very strongly on. But there are tens of thousands more households receiving concessions, and it is another area of significant investment for the coalition government. As you can see, there is continued reform, continued investment to back and drive that reform and a budget that I think continues to make a very significant, positive difference for vulnerable families in this state.

The CHAIR — Thank you, Minister. Could you outline to the committee the budget initiatives in this portfolio which will contribute to the growth of Victorian jobs, both in the coming year and over the forward estimates period?

Ms WOOLDRIDGE — Thank you, Chair. As I have just concluded in saying, it is a combination of investing both in our workforce and in our people, because human services is very much about the people who are delivering the services. Can I say that I continue to be exceptionally impressed with the capacity of our workforce, their commitment to vulnerable families and also the capacity and the commitment in the Department of Human Services and the work that they lead and drive. This budget does invest in more people; dollars in this area tend to go directly towards people. The investments in this budget that we are making to expand services are investing in new workers.

With the Services Connect funding, while we are seeking people to have generalised skills as well as specialist skills in each of our different areas, we will continue to invest both in a generalist workforce who have a range of skills to support the expansion of Services Connect — that will be through the community sector organisations — but importantly also in new child protection workers. You will remember from that graph that we need to continue to work and increase our number of child protection workers in conjunction with the reform that we have done to make sure more of those workers are working with families. There has been a good

combination of both increasing our workforce and making sure the productivity in relation to our workforce working with families has significantly increased.

In our Child FIRST investment, once again these are delivered by community sector organisations, and these will be additional staff — we think over 20 staff — to deliver these early intervention services with families. Similarly each of these initiatives that we have has a workforce attached to them, so with strengthening risk management there are high-risk coordinators to work with women who are experiencing and at high risk of experiencing family violence. We also continue with some of the programs that we have funded to support the workforce to exist. We have got about 35 youth support service workers, once again in community sector organisations, right across the state who will be able to continue their roles as a result of the continued funding that we have.

An important part of the jobs agenda and support is of course the very significant investment that the government is making to support the Fair Work Australia decision on the SACS case. Coming into government, the government made a commitment to support the SACS case up to \$200 million. This budget actually takes it over and beyond that \$200 million. Once again, we are fulfilling the decision of Fair Work Australia to fund what have been traditionally low-paid community sector workers through full funding of the SACS decision out to the community sector, which is a very significant investment but one we think is important for our workforce. The Aboriginal kinship care support service is once again continuing to support over 10 workers in Aboriginal community organisations.

There is also significant investment in things like new out-of-home care facilities, which will of course in their construction have new jobs, and also our IT commitments under Services Connect, with a further workforce that will support the expansion of that. I was very pleased with VCOSS's response to the budget overall in highlighting how important the budget was, as they describe it, 'to unleash the public spending required to support employment growth and turn around Victoria's unemployment rate'. I think that is a recognition not just in the human services area but actually right across the government of the very significant investments that we have been making that will create a significant number of jobs for Victorians in the years ahead.

Mr PAKULA — Good afternoon, Minister. You did, as I expected, go to the question of family violence in your presentation, and I have raised this matter with a number of ministers in the last couple of weeks. Despite the measures that you outlined in your presentation, it is undeniable that the response of the sector to the budget was swift and harsh. I do not propose to go back over all of the comments and quotes that have been made by the sector, save for a couple. You would be aware that Fiona McCormack from Domestic Violence Victoria described the budget as an 'absolute disgrace' and that Annette Gillespie from the Women's Domestic Violence Crisis Service said that Dr Napthine and senior ministers should think about handing back their white ribbons.

Subsequently the opposition announced that we would in government conduct a royal commission. There was no response from the government for a couple of hours, until you responded, and ultimately your response was to describe it as, amongst other things, a waste of money. The budget has got money for a whole range of things. We had Minister Asher in here just this morning talking about a new overseas office and Expo Milano —

Mr ONDARCHIE — There is a question coming, isn't there?

Mr PAKULA — Yes. Do you really think you would want to be interjecting on this?

Mr ONDARCHIE — No, not really, but it is a long preamble. You talk about efficiency in PAEC.

The CHAIR — Order!

Mr PAKULA — It would be more efficient without your interjections — money for Expo Milano, money for wild dog baiting, money for overseas offices. I just wonder, Minister, how you can say to workers in the sector and victims that a royal commission into family violence is a waste of money?

The CHAIR — Before I ask the minister to respond, you are asking for commentary from the minister on an opposition policy, which is quite contrary to normal practice.

Mr PAKULA — The government does not have funding in the budget for a royal commission. The government — —

Mr Angus interjected.

The CHAIR — Order, I have asked the Deputy Chair to respond.

Mr PAKULA — This is a potential response to the family violence statistics that we see, for example, in budget paper 3 — —

The CHAIR — Order! I am asking you to address the substantive issue, which is that you have asked for commentary on an opposition policy, which is not government business.

Mr PAKULA — Would you like me to rephrase it?

The CHAIR — I would like you to rephrase it.

Mr PAKULA — Why has the government not seen it as appropriate, at some point during the forward estimates, for there to be money spent on a royal commission?

The CHAIR — I will allow the question, but again the estimates process is not about what is not in the budget; it is about what is in the budget.

Mr PAKULA — Point of order, Chair. It is entirely appropriate, and there are a range of precedents for the estimates process to be inquiring into why things have not been funded in the budget.

Mr ANGUS — On the point of order, I concur with your comments, Mr Chairman, in as much as, in relation to relevance, any prospective future opposition policy does not in any way form anything to do with the budget papers.

Mr PAKULA — Rule it out, if you like.

Mr O'Brien interjected.

The CHAIR — Order! I indicated I would allow it, but we need to try to tie questions to specific matters relating to what is in the budget rather than what is not in the budget. If it is a lapsing program or a cut, to use the terminology of the opposition, then that is fine, but alternative policy procedures are generally not part of the discussion. Minister, do you wish to comment?

Ms WOOLDRIDGE — Yes, I do. Thanks, Deputy Chair. When we came to government we committed to a whole-of-government family violence action plan. In that process we did very extensive consultation with the sector — with academics, with providers, with women who had experienced violence, with perpetrators. We had meetings, we had a submission process, we had the development of the plan, and when the plan was released it was widely supported. Subsequent to that the main feedback — and I meet with people and groups and women all the time — I get is our challenge to ensure that we actually can evaluate what we do and know what works. We have been investing in that in terms of our pilot programs and so on, including men's behaviour change and a whole range of areas.

As a result we also established the Foundation to Prevent Violence against Women and their Children, a national body to bring together the work of the clearing houses, the work of various different groups, so that we had the best knowledge available. The Victorian government has funded over a million dollars for a centre of excellence which is now called ANROWS — once again, a national body researching and bringing together research in terms of family violence. We have a national research centre, we have a national foundation to gather together the learnings and to drive cultural change, and we have a set of actions right across government that we are doing.

Not once in three and a half years as minister has anyone ever suggested to me that a royal commission would be valuable in terms of taking us forward, in terms of our thinking — and that is through the hundreds and hundreds of people that we have talked to and the hundreds and hundreds of submissions and discussions, ministerial advisory councils and so on. Clearly the message that we have been getting is that we need to drive

reform; we need to implement the actions from our action plan, which we have been doing; we need to further invest; and we need to refine and adjust. In fact one of the very common messages that continues to come through is we need an integrated response.

Whether it is Rosie Batty, when she was talking about what is needed, an integrated response, whether it is Ken Lay, whether it is even the Leader of the Opposition on the radio earlier this week — the first thing everyone says is, ‘We need an integrated response’, and that is what Services Connect is doing. The expansion of Services Connect in this budget, where the community sector is leading and driving the change — and in fact our investment to extend what were the strengthening risk management demonstration projects to eight more sites and tying them into a Services Connect delivery platform — is actually doing exactly what everyone has been asking us to do.

Now we need to refine it, we will need to improve it, it will need to be expanded further; we understand all of that. But what this government is doing — having gone through an extensive listening process, having put together a plan that was widely supported and is widely supported, based on the best evidence — is getting on and delivering the changes that people have wanted to see and that they believe will make a difference. Our priorities in our decision making are about driving the change that has been informed from the sector and investing in the demand that we are seeing happening. That is why we very clearly have an agenda in terms of going forward.

Just to correct one point that was made, I never said that it was a waste of money. That is not a quote that was ever — it may have been attributed to me, but it was never actually said. What I said was you are spending tens of millions of dollars on high-paid lawyers to go through a process where we have already done the thinking and where we know, in many cases, what the answers are and where we need to drive to. We need to get on with what we know, and we need to evaluate it and refine it and improve it, working with families to keep women and children safe.

Mr PAKULA — Just a follow-up, Minister. You talk about the support you have had from the sector. The fact of the matter is that the sector has been resoundingly supportive of the notion of a royal commission. You talk about having answers. The fact is that on every measure, budget after budget, the problems in relation to family violence — the statistics — continue to get worse. As you say, your response was that a lawyer-led investigation would ‘tell us answers to questions we already know’. I suppose the thought that bubbles up in my mind is if you knew all the answers, this problem would be getting better, not worse. If you know all the answers already, tell us: what are they?

Ms WOOLDRIDGE — When the Leader of the Opposition was asked this question on the radio earlier this week the first thing he said is the answer is about an integrated delivery of services, which is exactly what we are rolling out through Services Connect. You know as well as I know that you cannot click your fingers and change the way services are delivered. There is a massive culture change. There is a massive shift in the way the community sector and government work together. There is a change in the skills and the development and the capacity of the workforce in order to be able to get there. That is what we are driving with Services Connect, and it takes time.

We want to do it as quickly as we possibly can. We have restructured the way that the Department of Human Services works, we have restructured the way that our child protection works, we are restructuring the way we deliver services in conjunction with the community sector, and we have got a mechanism to continue to work to refine to have flexibility to respond to families’ full range of needs. I would like this to happen sooner and quicker but, as everyone knows, fundamental reform in the way that we deliver services, after 40, 50, 60 years of history of developing silos and distinct barriers between services, takes some time. I believe we are driving the change that we need to see to have that integrated response that everyone is calling for.

Mr ANGUS — Minister, I refer you to budget paper 3, pages 28 and 29, which refer to the coalition government’s investment in Services Connect and that the budget funds its extension into the non-government sector. Following on from your comments to the previous question, and also as noted in your presentation, Minister, can you advise the committee on the implications of this funding on community service organisations and the overall benefits of this major reform initiative?

Ms WOOLDRIDGE — It is timely having already talked about it and, as I said at the beginning, we will probably be talking about Services Connect quite a bit in this hearing, but it will transform and is transforming the way that human services are delivered so we have a more integrated, client-centred and sustainable service model into the future. At its heart, as I have mentioned: one key worker, one assessment, one client record and one plan.

I would like to give you a little example. I have already touched on a lot of the points I was thinking of making in relation to this, but an example of a family that we work with — Frank. Frank in eight years had had 27 different client support workers working with him and his family on a range of mental health, housing and child protection issues largely, 17 different reports to child protection for any one of one to four of his children. The kids were not in school and things were pretty chaotic. After six months of working with a Services Connect key worker, what happened is instead of having multiple workers all turning up — he actually said at one point he did not know who was knocking on the door and why they were there, he was just so confused — a massive simplification of the system, with a single plan and a single worker, has meant that he has got his mental illness under control, as has his wife. He is completing the study that he had started but not been at for many, many years. The kids are back at school, and for the first time in the kids' lives they are actually having friends over for play dates. That means that through a simplified and planned system and approach this family has fundamentally transformed their outlook for the future because of Services Connect. He and his family are just one example of many about how Services Connect is changing things.

Services Connect has been trialled in five sites — in Dandenong, in the south-west coast, in Geelong, in Preston and in Shepparton — and we have just announced four more sites, going out to Bendigo, Box Hill, Glenroy and Wodonga. But importantly in this budget we not only drive it from Human Services out to the way we work with families, this will now also be funding community service organisations to lead that key worker process, because ultimately where we want to get is that anyone across the service system can be a key worker, depending on how they enter the system and engage with the system, and we want the community sector to be very empowered in terms of leading that process.

Through our work to date we have already had 740 families be part of the Services Connect trial. What we are seeing from the evaluation is very promising results. Exiting the Services Connect experience three-quarters are reporting resolution, improvement or self-management of their presenting issues, and that is what we want to achieve. We want to achieve for families who have been churning through the system, staying in the system, repeatedly presenting to the system, the capacity for them to own, understand and manage the issues that they are presenting with so that they can live happy, productive, independent lives for themselves and their children. We are seeing very positive progress in relation to this. It achieves the outcomes for families, it has a holistic approach — and it is important to have that partnership between government and non-government agencies — and it is also evidence based.

We have had a lot of support from the community sector in relation to Services Connect and how it is delivered. A recent example, just this month, from Mike Kelly, the CEO of Time for Youth in Geelong, who said:

Time for Youth and their partners have adopted the principles and practices of the Services Connect model, integrated service delivery and tiered case management within their youth services to enhance the early intervention platform in Geelong.

Interestingly, community sector organisations are stepping up to the model even before we have started to roll it out, because they see the benefits of it. In many ways I like to characterise this as this is the way that community sector organisations, and some DHS workers as well, sought to work but were limited from working that way. They worked out workarounds to be able to deliver services in this way. Now it is government and the community sector working together to deliver this approach rather than community sector organisations doing it despite government and our funding and our structures and all of those sorts of things. Services Connect is, I think, a very fundamental and important platform to the reforms we are driving to be able to work with families into the future.

Mr SCOTT — Minister, in your presentation, and I believe in budget paper 5 on page 174, there is reference to the national partnerships funding for concessions, which has been cut in the most recent federal budget. I noted your statements and the Premier's statements about the funding being made available via government to cover for this cut. I would be grateful if you could give the committee some surety that there will be no cuts to other services within government in order to fund this particular concession funding by identifying where in the

budget, of all the funding that is available, the money is coming from to cover this cut by the federal government.

Ms WOOLDRIDGE — Thank you very much for that question. First of all, just in the context of the concessions, these are, as we know, very significant for many hundreds of thousands of Victorians who rely on them. As I have said, it is about 20 000 more, but from memory — and Arthur is just going to hand me the numbers — we currently have, for example: households receiving mains electricity concessions, 910 000 Victorians; households receiving mains gas concessions, 599 000; households receiving water and sewerage concessions, 695 000; and it goes on. A very significant number of Victorians rely on these, and these are concession card holders. The government has been very clear in its commitment to these issues around cost of living with the introduction of the year-round electricity concession — 17.5 per cent — which we took from a six-month concession to a year-round concession, recognising that people want to use cooling in summer as well as, of course, heating in winter.

It was a surprise. The commonwealth-state national partnership agreement on concessions has actually been in place since 1993 — a longstanding agreement, I have to say. We had a bit of toing and froing over the years. I had some correspondence with Minister Macklin when she was the minister, seeking a greater contribution from the commonwealth, actually recognising the very significant increase in concession payments reflecting the increasing cost for, particularly, utilities, which she declined to engage in or increase. But that is a normal part of the process. We were surprised on budget night to hear that the concessions NPA would be concluded. That is about \$300 million a year right across the country and, in this coming financial year for the concessions NPA, \$73 million. Our commitment is to make good that \$73 million. We have it in our budget. It is in those numbers in budget paper 5. It has been incorporated, and that will be made good.

I cannot talk for the Treasurer — and it might be a question for the Treasurer in relation to it more broadly — but I have no expectation that there will be cuts elsewhere in relation to finding the funding for that particular commitment. You need to, I suppose, go back to the Treasurer in relation to it more broadly because only he can make that assurance, but I have no expectations on that front. There has certainly been no conversation or any suggestion, as far as I know, on that front that it will be made up out of the surpluses. As a government we have been able to run a surplus budget; there is some funding there. It will be challenging and difficult, but the consequence of having a government that has worked very hard to get our budget into good shape is that if a surprise like this happens — if a shock like this happens — then we are in a position to be able to make good, reflecting our commitment to the many hundreds of thousands of Victorians who rely on it.

Mr SCOTT — Minister, by way of supplementary, I find the answer surprising, since I understand that the Premier had said the budget funding gap would not come from the surplus. Can you give surety that the commitment to replace the funding that has been cut by the federal government exists over the four years of the estimates period, not just for the next financial year?

Ms WOOLDRIDGE — I am able to reiterate what the Premier said, which is that we will make good the 73 million in terms of our budget for next year, and then we will continue to work. There will be a new budget determined for next year which will give us the capacity to examine. I think we will continue to advocate, as we have been doing, back to the federal government. I have already written to the federal minister in relation to this and highlighted the impact that the decisions are having. However, in terms of the 14–15 budget, which was handed down a couple of weeks ago, the \$73 million for next year is assured.

Mr O'BRIEN — Minister, I would like to refer you again to *Victoria's Action Plan to Address Violence Against Women and Children, 2012–2015*, and specifically to budget paper 3, page 28. I know you have touched on this already in your presentation and in answer to questions, but could you just outline for the committee what initiatives the government currently has in place to support families identified as being at high risk of violence?

Ms WOOLDRIDGE — Thanks very much for the important question. It is important to give context, first of all, that the government's investment in preventing family violence is over \$95 million this year and next. That is an increase from about \$70 million in the last year of the former government, so it is a very significant increase. As we have talked about earlier, an integrated response actually requires mental health services that can respond, alcohol and drug treatment as well, the court system and so on. There are very significant

investments in other parts of the health and human services systems and the broader justice system that enable us to deliver effective support and hold perpetrators to account in relation to family violence.

The heart of the reform in this budget is the extension of what is called the RAMPs, which are for women who are identified as being at high risk of violence, and that is done by using our common risk assessment tool that we have. They might turn up to a hospital. They might turn up to a mental health service or an alcohol and drug treatment service. Everyone is using this same tool and saying, 'Is this woman potentially experiencing family violence but not presenting with that as their primary concern?'. This group then identifies who might be at high risk and brings together the courts, the police, family violence services, the broader human services system and corrections — all at the table — to make sure that anything that can be done is being done for these women. The other important role of the coordinator is that they then follow up and hold those people to account in relation to the performance of their duties. That might be what is happening in the courts; it might be whether police are following up on intervention orders; it might be that they need to move house or change their housing so they can be safer. It might be a range of responses.

This RAMP — this coordinated mechanism to assess high-risk women and have a plan for their safety and wellbeing and also to address perpetrators and hold them to account — is the core of the strengthening risk management trials in Hume and in Barwon. In this budget what we do is take those two — they get continued — but introduce eight more areas, so 10 out of the 17 areas across the Department of Human Services will now have these risk assessment management panels to be able to work with high-risk women. This, firstly, provides the integrated, joined-up response — the right people at the table working out what needs to be done.

The second part of this is there is also significant investment for them to be able to access Services Connect support. What we have not done in this budget is set up a completely separate response to the range of needs of women and children who are determined to be at high risk. We are actually seeking to drive their support into our Services Connect response so that they can access it as other families would, acknowledging their very specific needs because of their high risk of family violence. There is \$4.5 million in the budget to establish the RAMPs and establish the high-risk coordinators but also over \$4 million through Services Connect specifically for family violence initiatives and \$17.8 million overall to expand our Services Connect model.

What we are doing now is working to get these new risk management assessment panels up and running as soon as possible. We are already working with key agencies and consulting with the sector about what that model looks like, to roll it out. I think this is an important learning. This is an example of using evidence-based practice to expand it and roll it out more broadly across the state. The evidence from the demonstration projects is that women and children are safer as a result of this high-risk management assessment process, through a coordinated response, and that the right people are at the table at the right time, making decisions to achieve that outcome.

Ms GARRETT — Minister, I would like to further explore the issue of children being safe in Victoria. I refer you to budget paper 3, page 162, which contains the child protection and family services output summary. As you will be aware, in a recent Auditor-General's report there was a very disturbing statistic highlighted: that there had been a 49 per cent increase in category 1 incidents in residential care for children, and it was mainly related to children absconding from residential care — that figure, that massive increase. There have also been recent media reports regarding how children in residential care have been preyed on by organised paedophile rings.

I note, Minister, that at the present time half the children in residential care units are living with just one staff member and that that situation was described — the situation of absconding and the consequential harm caused to children — as a textbook example of why two workers need to be rostered on in the state's residential units, particularly given they are caring for some of the most vulnerable young people in our community. I note that this issue has been raised with your department on multiple occasions, and I would like you to inform the committee where in this year's budget you have allocated funding to address the understaffing of residential care units so that children who abscond can be returned safely to a home.

Ms WOOLDRIDGE — Thanks very much for that very comprehensive question covering a wide range of areas. They are very, very important questions. There are a couple of things I would like to go to in responding to that, first of all on the category 1 incidents. One of the things that was very clear on our coming to

government was that we could do better in terms of getting category 1 incident reports, understanding them and being able to respond to what we learnt from that process.

Over the first two years the government, working with the Department of Human Services, instituted a very significant improvement in the way we define and collect information in relation to category 1 incidents. This has meant that our reporting has been increasing, because one of the key things was that we were not necessarily getting the reports or that there was discretion being used by community sector organisations or workers in relation to what was reported and what was not. We actually see, in a lot of our data for 2012–13, quite a significant shift. That is because we structured it, we defined it and we have a zero tolerance approach in relation to the reporting of category 1 incidents. Now we know what is happening — we are getting those reports — and when agencies are not reporting, there are consequences of that process, and they are managed very actively.

That is part of just giving some context around getting better information in regard to us. That has enabled us to respond to themes or clusters, whether it be clusters of activity or category 1 incidents at organisations, for example. There are actually organisations now no longer operating in this space as a result of clusters of incidents we have now been able to capture.

In relation to issues like the exploitation of children and young people in out-of-home-care, that has been a longstanding issue — it has been happening forever. People realise that these are very vulnerable young people. But now, with our category 1 incident reporting process, we can actually identify where they may be clusters of those things happening — where there might be people who are more organised than an individual doing this on an individual basis. Once again that has enabled us to take action, which we have done, in collaborating with police and training our workforces to identify it, to respond and to keep women and children safe.

This budget includes \$38 million — and I can direct you to where that is if you would like me to — for our out-of-home care plan. This builds on the \$90 million from last year, so \$128 million altogether. Let me tell you what the 128, which is the combination of the two, represents: 48 new residential places, 100 new therapeutic home-based care placements, new support for kinship and foster carers, 16 additional beds in a new model of therapeutic residential care and 8 new four-bed residential care units. The new model actually provides both secure and regular therapeutic residential care all on the one site to reflect the range of needs of children.

The out-of-home care plan commits, as I said earlier, that all residential care will be therapeutic in the life of the plan. Being therapeutic is exactly that point in relation to the staffing levels. It takes it to more staff looking after the young people in residential care at that time and also better trained staff so they actually understand the trauma that children have experienced and have a greater range of skills and capacities to be able to respond to the needs of children who have been abused and neglected and who have ended up in residential care.

The budget very clearly funds new therapeutic care that drives us through the life of the plan to have no children who are staffed with a one-person staffing model. It drives it to having that multiple staffing level, and not only the multiple staffing level but actually therapeutic, which is a step beyond that. I think you will see the investments in this budget absolutely achieve that objective and drive towards that better and safer response for children.

Ms GARRETT — By way of a supplementary, and to use your language about driving it towards more staffing and better arrangements, I think the community would like a little bit more specificity around that. I note that, for example, approximately half of Victoria's residential care units are funded at the lower RP2 unit price, which is with one staff member. In terms of how quickly this car will be driven by you and your government to ensure that this major driver of children absconding — that is, only being with one staff member — is addressed, could you specifically point out when there will be a lifting of the price from the RP2 unit price to the higher RP3 unit price? When will that happen to cover those half of residential care units which are currently chronically understaffed?

Ms WOOLDRIDGE — It is important to put this in context. When we came to government there were 40 placements at the therapeutic level, and that was a pilot. It was just testing it and trialling it. Next financial year we will be at 170; we have gone from 40. We finished testing the model, we evaluated it, we funded those 40 and in the subsequent years we have now taken that up to 170, a very significant increase and very

significant funding. What the question in relation to RP2 versus RP3 fails to knowledge is that actually we are going to therapeutic funding, which is different again. It is higher, it is more and it is driving the change.

What we have very clearly said, and there is a schedule in relation to it, is that the beds that are funded in this plan very specifically are therapeutic residential as well. Part of the 16 new beds — the secure and normal all on the same site — will also be therapeutic. What we have committed to over the life of the plan is that all will be therapeutic, so the remaining 300-plus will be therapeutic. But we actually see that we will have a decrease in the need for residential beds overall because we actually want to drive, if possible, a reduction in those beds so that more people can end up in home-based care placements, many of which will also be funded at a therapeutic level.

Let me just give you a couple of numbers. Out of this budget, in 14–15 there will be 152 placements; in 15–16, 172; and in 16–17, 188. So the increase continues in our therapeutically funded placements. At the same time we are increasing our funding to home-based care placements, and through the remaining two years of the plan we will actually do that shift so that the rest of the residential care places will be funded at a therapeutic level, but there will be a decline overall because more will be in home-based care. You have got some numbers there.

I would love to — and we are actually working through whether we can — drive this change even more quickly, but our objective, particularly for those RP2 placements, which are the lower level residential care, is that we believe they should be in home-based care placements. There will be no RP2 placements at all in the system by the end of the plan because they will be either in therapeutic placements or in home-based care placements.

Mr ONDARCHIE — Thank you for your responses just then, Minister, on out-of-home care and therapeutic care. I was going to ask you about that, but you have pretty well covered everything I wanted to know. I would like to go on to talk about child protection and family services if that is okay with you. Budget paper 3, page 30, indicates that under your stewardship the coalition government will further increase the number of child protection and Child FIRST workers through investment of \$24.1 million over four years. I think you touched on it in slide 6, entitled ‘Child protection and family services’. I wonder, Minister, if you could talk a little bit more about how these additional workers are going to be used in the sector.

Ms WOOLDRIDGE — Thanks very much for that question. This is a very significant area of positive reform, I have to say, from the government. One of the first things we did in coming to government — and I very much enjoyed it — was going out, meeting with the child protection front-line workforce and hearing from them about their experiences. The department did some great work hearing from our workforce as well, those who were in it but also those who had left, about how we reform it to make it different and to make it work more effectively.

What we introduced is a new child protection operating model in terms of how the workforce works, and as well we have been investing in staff. We have the combination, once again, of reform and additional staff. Over the life of this government we have invested in well over 100 new child protection workers. We have also put significant additional funding into Child FIRST.

But I think it is important to also understand that it is not just the numbers but also the capability of our workforce. A very significant part of the reform that we have been driving has been to retain our workforce, increase the skills and capability of our workforce and also — understanding and acknowledging that many of our workforce are new and young, often facing very difficult and challenging decisions and situations — to ensure that our oversight of our workforce in our senior teams is strong and improved as well.

We introduced this new child protection operating model in November 2012 through an over \$50 million reform package. What it has resulted in, which was one of the objectives, is that we have more senior child protection staff carrying cases. What we had when we started, on coming to government, was that only 63 per cent of our child protection workforce actually ever saw families. Many of them had been promoted to administrative roles, managerial roles and oversight roles and had lost touch with that direct family connection and keeping that sort of practice side of their skills up to date as well.

Through the introduction of the child protection operating model, we have now actually gone from 63 per cent of staff carrying cases to 77 per cent of our staff carrying cases, which has been a very significant productivity improvement and why we can achieve and maintain some of our case load levels — because more people, and

more senior people, are seeing families and working with families. They are also able to help the younger and newer child protection workers in that role.

The other thing is we have increased the qualification levels. Once again, on coming to government, 53 per cent of our child protection intake had a bachelor level qualification or higher. Now 85 per cent of our staff entering child protection induction services are at bachelor level or higher. So we are increasing the qualifications and that skill and experience of our workforce.

Turnover has been a particular area of concern, and this is something that was long discussed. The Ombudsman reported on it, and it had been widely discussed. On coming to government, 30 per cent of the workforce turned over every year. It is very hard to maintain that continuity, that relationship with families, that important work that happens and the relationship that is developed at that high level. We have managed to halve that down to just over 15 per cent turnover. We are of course evaluating our operating model — we will get feedback — but we think that the extra support that is being provided, the acknowledgement of the importance of their work and the oversight and the ongoing training and support have made a very significant difference in that turnover rate. Interestingly also we have a more experienced workforce, with 20 per cent of our staff having more than 10 years experience.

So from the perspective of the government — and this is a common theme — we are investing in additional workers, but we are also investing in reform. How we drive the productivity, how we make sure our workforce are supported to be effective in their very important roles, how we make sure that more people are carrying cases and are working with families is the bottom line. We have even had feedback from our senior staff, who could only have the option of being promoted into a managerial role, and now they can be promoted through a practice-based stream. They can continue to be promoted, to get pay rises, to get the higher levels of staffing but continue to work with families, and that is rewarded and acknowledged. At its heart, that is the work that we do. So there is significant investment in more staff, but it is in the context of coming into a reformed workforce environment that we are very positive about, and we will continue to drive those positive reforms.

Mr PAKULA — Minister, budget paper 3, page 162, has the output summary for the Department of Human Services, and ‘Child protection and family services’ is the second item down. I am assuming that from that output is the expenditure in foster care reimbursement and matters such as that.

It has been suggested to me — and it is anecdotal, so if you want to suggest to me that this is incorrect, feel free to do so — that particularly in the Bendigo region there was a running out of funds for the reimbursement of foster carers, which meant that foster carers have been out of pocket in order to cover essential costs for children they are caring for, things like basic medical care, school uniforms, books and the like. Can you indicate if that has in fact occurred, what steps are in place to ensure that it will not occur again and how it might be remedied, if in fact it did occur?

Ms WOOLDRIDGE — That is not an issue that I am familiar with. First of all, let us say that foster caring is absolutely crucial work, and we acknowledge and celebrate the critical work that carers do. Foster care is an area where in this budget we have invested additional money — in foster care and kinship care reimbursements, acknowledging that there is a continued growth in demand and an increase in costs. There is 20-something million — I have not got the number off the top of my head — in additional funding for foster carer and kinship carer reimbursements in the budget. How our workforce manages of course is that that is an amount of funding that is available over the course of the year, and they manage to those commitments accordingly. As I say, in terms of Bendigo, it is not an issue that has been raised with me, but I could understand some context where maybe they are managing to budgets over the course of 12 months. But acknowledging the need to fund things like schoolbooks and different things that we do for foster carers, there are additional funds in this budget.

I think it is important to say that we continue to hear from foster carers and work with the Foster Care Association to work out how we can continue to strengthen and support foster carers in their role. I am pleased that on latest numbers essentially what has happened is that we have been able to keep the number of foster carers roughly even, but as more children are in out-of-home care it is falling as a proportion overall of the overall provision of out-of-home care services. But these are important people in the delivery of out-of-home care and in the safety and wellbeing of children, and that is why we do fund expenses and others for them to be able to support children in their homes.

Mr PAKULA — Yes, thanks, Minister. By follow-up, I would be grateful if you could take the question of what occurred in Bendigo on notice and come back to the committee, and in doing so provide the committee with some information about how the department deals with this matter of reimbursement of essential expenses when funds might have run out for a given financial year, because the Foster Care Association have indicated that financial stress is a reason that foster carers leave the system and that the recruiting of more foster carers is very difficult if they are forced to pay for out-of-pocket expenses themselves. It is my understanding that it is done differently region by region and it is dependent on whether or not available funds have run out for the year, so if you could come back to the committee and indicate what occurred in Bendigo but also what is the approach in the regions to the foster carers if the funds available have expired for a given financial year and how foster carers are meant to meet those expenses in those circumstances.

Ms WOOLDRIDGE — A couple of comments. First of all, I have been able to get that in the budget there is about \$17.5 million of additional funding for caregiver reimbursements and client expenses growth, and I am happy to take the specific Bendigo situation on notice.

What I would like to explain is that there are two elements of this, though. Every foster carer gets a payment and they continue to get those payments, and those payments are to meet some of, or all of, the expenses that they experience with the child that they are foster caring for. Those payments are guaranteed and happen. I suspect what you are talking about are payments on top of that where sometimes there is some money above and beyond what foster carers are already reimbursed to cover the costs for the young people that they are fostering; some additional funding above and beyond the payment that they already receive.

I suspect what you are talking about is that second type of expenses. I am certainly happy to have a look into it, but acknowledging of course that every foster carer gets their foster care reimbursement at a variety of levels depending on the complexity of the client, depending on individual needs and things that have been agreed up-front in relation to the core funding that they get to be able to cover the expenses for the children that they are caring for.

The CHAIR — Thank you, Minister. We are now out of time in terms of this portfolio. There are some questions on notice, so we will write to you regarding those, and if we could have a response within 21 days, that would be of assistance. I thank departmental staff members for their attendance. That concludes the hearing.

Witnesses withdrew.