

PUBLIC ACCOUNTS AND ESTIMATES COMMITTEE

Inquiry into the 2026–27 Budget Estimates

Melbourne – Tuesday 19 May 2026

MEMBERS

Sarah Connolly – Chair

John Pesutto – Deputy Chair

Jade Benham

Michael Galea

Mathew Hilakari

Lauren Kathage

Aiv Puglielli

Richard Riordan

Meng Heang Tak

WITNESSES

Lizzie Blandthorn, Minister for Disability; and

Peta McCammon, Secretary,

Argiri Alisandratos, Deputy Secretary, Disability, Fairness and Emergency Management, and

Annette Lancy, Deputy Secretary, Children and Families, Department of Families, Fairness and Housing.

The CHAIR: I declare open this hearing of the Public Accounts and Estimates Committee, and I ask that mobile telephones please be turned to silent.

On behalf of the Parliament, the committee is conducting this Inquiry into the 2026–27 Budget Estimates. The committee's aim is to scrutinise public administration and finance to improve outcomes for the Victorian community.

I advise that all evidence taken by the committee is protected by parliamentary privilege. However, comments repeated outside of this hearing may not be protected by this privilege.

As Chair I expect that committee members will be respectful towards witnesses, the Victorian community joining the hearing via the live stream and other committee members.

Witnesses will be provided with a proof version of the transcript to check, and verified transcripts, presentations and handouts be placed on the committee's website.

I welcome the Minister for Disability the Honourable Lizzie Blandthorn as well as officials from DFFH. Minister, I invite you to make an opening statement or presentation of no more than 5 minutes, after which time committee members will ask you some questions. Your time starts now.

Lizzie BLANDTHORN: Thank you very much, Chair. I would like to begin by acknowledging the traditional custodians of the land on which we meet and pay my respects to elders past and present and any Aboriginal people joining us today.

Visual presentation.

Lizzie BLANDTHORN: The Victorian government is continuing our work to build a safer, fairer and more accessible Victoria. Chair, there can be no more important example of this at the current time than Victoria's contribution to a sustainable NDIS, particularly the consequential implementation of Thriving Kids. As my presentation has been circulated, I thought I would make most of my remarks in relation to this critical reform.

The agreement reached by national cabinet in relation to reform of the national disability insurance scheme committed states and territories to planning for the implementation of Thriving Kids using state-led services. Here in Victoria this represents an incredible opportunity to leverage our nation-leading universal maternal and child health service, including the 10 free key ages and stages visits, and the early education system, including free three- and four-year-old kinder. It also represents the opportunity to act on what Victorian families tell us every day. They want a joined-up early years system where they have equal access, not a postcode lottery, to good universal health services and education services for their children and where, if they need it, they can get that extra support for their child's development and additional needs.

Families tell us they want it to be easier. Families want to be able to access supports without having to continuously repeat themselves and without having to subject their children to repetitive assessments. Families want to celebrate their children on their best day, not be forced to constantly recount their worst day. To that end, families want integrated, connected and, where possible, co-located children's services that understand their child completely. Chair, families individually and collectively have told us this. They have told us this through the children's round tables and through the maternal and child health survey, and they have said it to me directly as I move around the state visiting services week in, week out. Our amazing MCH nurses, kinder educators and teachers, child protection workers, disability support workers and others have said it too.

We have heard from sector leaders through the Victorian Children's Council, the Best Start, Best Life taskforce advisory group, the Victorian disability advisory group, the Victorian Committee for Families of Children with Disability and others that the service system for children and families is fragmented and can be difficult to navigate, and we often need to intervene earlier.

Families do not work in silos, and neither should government. In recognition of this, Premier Allan created the children's portfolio to build an ecosystem of mainstream and additional supports to meet families where they are at and to make life easier and fairer with new solutions. Thriving Kids presents this once-in-a-generation opportunity. Premier Allan created the children's portfolio to build this system. Thriving Kids in Victoria will be a continuation of this work. It will be child centred, family centred, strengths based and evidence informed and focus on everyday settings. It will be collaborative, holistic and integrated, focused on outcomes, flexible, accessible and culturally safe, with multiple entry points, and it will provide for workforce development, just as the Thriving Kids taskforce said it should be.

Chair, the timeline is tight. The Commonwealth requires a staged implementation beginning in October this year and concluding on 1 January 2028, when the Commonwealth changes to eligibility for the NDIS come into effect. Early next year we will be rolling out Thriving Kids. This approach allows for implementation based on evidence supports, and by January 2028, as required by the national agreements, there will be full implementation. We will work deeply with the Commonwealth, with stakeholders and the community to consult and to meet these timelines.

Outside of the significant investment in foundational supports, this budget also invests \$41.5 million to deliver the programs listed on this slide – the Victorian disability advocacy program, publicly funded autism assessments, support for Victorians with disability who are ineligible for the NDIS due to their residency status and the disability liaison officers program in health services – with funding in 2026–27 and 2027–28 to provide family services support for vulnerable children with disabilities and their families.

As some of the committee will know, the Victorian government is the largest provider of specialist disability accommodation, or SDA, in Victoria. SDA is specialist housing for people with a disability who have extreme functional impairment or very high support needs. A person's funding and eligibility for SDA is determined through the NDIS.

The CHAIR: Thank you, Minister. The first 8 minutes are going to Ms Benham.

Jade BENHAM: Thank you, Chair. Just on the Thriving Kids program, Minister, wait times for diagnosis for those under eight are 18 to 24 months for public assessment, and not improving. What initiatives are in the budget to reduce wait times in the state autism plan?

Lizzie BLANDTHORN: Sorry, are you referencing Thriving Kids or the state autism plan?

Jade BENHAM: The state autism plan says it will improve diagnosis times. Is that right?

Lizzie BLANDTHORN: The state autism plan, yes, talks to diagnosis of autism, but that is very separate to Thriving Kids at the current point in time. The Thriving Kids, as I just outlined in my presentation, is the result of the new national agreement, which was agreed to at national cabinet. Our implementation for Thriving Kids is underway. We have just made some comments about how we see that being delivered through our state-led services. In Victoria we have a particularly unique opportunity to use our maternal and child health and early education services to do that and to bring together an ecosystem.

Jade BENHAM: How are you going to reduce those wait times for a diagnosis? Because at the moment they are 18 to 24 months.

Lizzie BLANDTHORN: Is it a question about Thriving Kids or is it about autism plans?

Jade BENHAM: Given the wait times for a diagnosis within the state autism plan, what initiatives are there in the budget to reduce wait times as per the state autism plan?

Lizzie BLANDTHORN: There is \$41.5 million of investment over two years to continue to support Victorians with disability. The 2026–27 budget has invested \$2.37 million over one year for additional publicly funded autisms. This is an investment which will provide for an additional 450 assessments per annum for

children who would otherwise be unable to afford the cost of an autism assessment, which builds on the Victorian government's previous investment to improve outcomes for autistic Victorians.

It also supports the work to maintain diversified community settings. I would also note that since 2019–20 there has been \$13.9 million in additional public autism assessments. That, though, is separate to the work that we are now undertaking in partnership with the Commonwealth. It will no doubt form part of it in the end. What we are seeking to do in the establishment of Thriving Kids is bring together our universal services with those top-up services or additional assessments.

Jade BENHAM: Okay. You said an extra 450 diagnoses per year. Will that reduce the overall average wait time?

Lizzie BLANDTHORN: An additional 450 assessments?

Jade BENHAM: Yes. Will that reduce those wait times?

Lizzie BLANDTHORN: An assessment is not necessarily a diagnosis, but obviously with additional funding and additional assessments that then provides, exactly, for additional assessments.

Jade BENHAM: Okay. I will move on to the Social Services Regulator. The 'Department Performance Statement', on page 45, makes several references to the Social Services Regulator. The disability sector and indeed Parliament rejected your efforts to merge disability complaints and oversights into the one social services regulator, which defeated the bill with strong sector support. Is it now your intention to keep the disability services commissioner and the Victorian Disability Worker Commission as separate entities?

Lizzie BLANDTHORN: Well, to be clear, and I spoke a little bit to this in the line of questioning that we went into in the children's portfolio, what we proposed last year was a uniform suite of child safety reforms, which would have addressed many of the issues that have been discussed in the previous hearing and which I am sure you are alluding to today. Indeed the deal that the opposition did, led by the shadow minister Tim Bull, meant that we were unable to progress some of those reforms which would have led to increased compliance, would have established a dedicated complaints function, would have aligned the work of prohibition schemes –

Jade BENHAM: The disability sector was adamant about keeping these regulators separate.

Lizzie BLANDTHORN: It would have enhanced the intelligence of the regulator. It would have – sorry, Ms Benham, would you like me –

Jade BENHAM: Can you confirm that any plan to merge it into the Social Services Regulator is dead and buried now, as the disability sector has requested and Parliament has spoken about? Can you confirm that they will be separate entities?

Lizzie BLANDTHORN: I reject the premise of your question, and as I have outlined in the house – and I do not think I have time to outline it here, given the consultation was as extensive as it was – the disability sector as a whole did not reject those reforms. Indeed many of them, including organisations like the Association for Children with Disability, advocated for those reforms, and those reforms would have actually led particularly to increased child safety reform for children with a disability. The opposition voted against those additional reforms which would have established a dedicated complaints function, aligned the worker prohibition schemes and enhanced the intelligence in the regulator to use NDIS worker screening and working with children check information. It would have also established a carers register as well, and it would have also –

Jade BENHAM: So you stand by your statement in Parliament on the Social Services Regulator, where you personally criticised certain volunteer disability advocates and disability groups? Do you stand by those comments you made on 19 March?

Lizzie BLANDTHORN: Chair –

Jade BENHAM: I can repeat it for you if you need me to.

The CHAIR: Excuse me. The minister is to proceed.

Lizzie BLANDTHORN: Thank you. I absolutely stand by all of the comments I have made in relation to the Social Services Regulator and indeed the comments I have made in relation to the Victorian Disability Worker Commission and the disability services commissioner, because I absolutely stand by the fact that if we can bring together regulation –

Jade BENHAM: Your own union and 40 groups opposed it.

Lizzie BLANDTHORN: If we can bring together regulation and compliance in one place and ensure that no-one falls through the cracks, particularly children with a disability, then I actually think that is a good outcome. I appreciate that those –

Jade BENHAM: But your union and 40 sector groups do not agree with you.

Lizzie BLANDTHORN: I appreciate that the opposition may have voted against that –

Jade BENHAM: 40 groups disagreed.

Lizzie BLANDTHORN: and I appreciate that there were some who –

Jade Benham interjected.

The CHAIR: Ms Benham, you have asked the minister this question. The minister is giving you quite a comprehensive response. The minister is to proceed.

Lizzie BLANDTHORN: Thank you, Chair. As I said, I stand by regulation and compliance safeguarding that keeps children with disability safe. While we were trying to bring together regulation and safeguarding, what we got left with, due to the way in which the opposition chose to vote on our legislation, was a system that will leave cracks, and where there are cracks, predators can get through them. Children with disability are less safe because of the opposition voting against the reforms that we put to the Parliament. I absolutely stand –

Jade BENHAM: So the sector is wrong. I understand. Going back to the first question –

Members interjecting.

The CHAIR: Ms Benham, you are misrepresenting what the minister said. The minister can clarify her answer, and the minister can speak for herself. The minister to proceed.

Lizzie BLANDTHORN: Thank you very much, Chair, and I would appreciate the opportunity to speak for myself and also to speak for children with disability. Indeed our bill was backed by organisations like the Association for Children with Disability, the Victorian Council of Social Service and many, many others who agreed that the reforms that we had on the table would lead to a safer outcome for children with disability. I stand by all of my comments in relation to that.

Jade BENHAM: Thank you, Minister. Going back to the first question, what can you specifically point to in the budget that reduces the wait times for an autism diagnosis in line with what you have said you will achieve in this area in the autism state plan?

Lizzie BLANDTHORN: As I said when you asked this question not a few minutes ago, there is \$41.5 million, including \$2.37 million over one year for additional publicly funded assessments, which will lead to an additional 450 assessments.

The CHAIR: Thank you. Thank you, Minister. We will go to Mr Galea.

Michael GALEA: Thank you, Chair. Good afternoon, Minister, Secretary and Mr Alisandratos. Just to go to the Thriving Kids program – the very significant announcement. You have referred to this in your presentation, but it is also in budget paper 3, on page 37. This is going to be a big change to how we do things. Minister, what has made you decide to go down this path?

Lizzie BLANDTHORN: Thank you, Mr Galea. We are really proud of the work that we have had the opportunity to do in this space. It really speaks to the work that we have been doing over the last three years with families and particularly families with children with disability. We have amazing maternal and child

health and early education settings – universal settings that our families are already connected to. When Minister Butler announced the Thriving Kids program in late August, he also announced a Thriving Kids advisory group to outline a service designed to provide support for these kids. It was co-chaired by him and Frank Oberklaid and they told us what parents already knew and what certainly I have been hearing from families as I move around the community, but it was really heartening to read this at the time. It also really presents Victoria with an amazing opportunity to leverage those services that we already have in our universal supports.

Certainly Minister Butler has made comments publicly and in various meetings on the importance for these services to be based in our early years – to bring together the services that we have across the states and territories. As I said, Victoria is uniquely placed because we do have such strong universal services to build upon, but it also presents an opportunity to bring together the work that we have heard about in family services, in maternal and child health, in our early education and care and through our child protection interactions with families as well. It presents an opportunity – families do not work in silos, and neither should government – to bring all of that work together in an ecosystem of support for children and families with disability.

Michael GALEA: Thank you, Minister. Just to dive a bit deeper into the timing milestones of this initiative as well, you did touch on in the presentation that 1 October this year is the rollout and 1 January 2028 is full implementation. You did say the timing is tight. Can you talk to me a little bit further about the implementation milestones of Thriving Kids?

Lizzie BLANDTHORN: Thank you. It is a tight timeline. The Thriving Kids bilateral agreement which has been agreed to requires that implementation begin in October of this year and be complete by January 2028. That is a short window in which to stand up and bring together a system. We have heard consistent feedback from families of children with disability that they would like a model like this, and we will now seek to really engage further with them on this reform. We are undertaking targeted stakeholder engagement to further inform the implementation of the reform in Victoria, and we look forward to continuing those conversations. A staged approach, if you like, across that 18-month period really allows for the implementation of evidence-based supports and continuous improvement as we work towards full implementation of a model.

The Commonwealth has announced that their changes to NDIS eligibility criteria will come into effect from 1 January 2028, so that really is a tight deadline for us to get to that point. We do note in particular that families want to share their experiences about how they have engaged in universal services without having to constantly recount, for want of a better expression, their child's worst day and retell their story. It should be a strength-based opportunity to provide families with the supports that they need, where we can link up services and better connect services, which we are already trying to do and which I talk about every day when I visit a children's hub or an Early Learning Victoria centre or an early parenting centre. We are constantly talking about how we can bring services together better and in a more connected way that supports families to get those supports that they need for their children, and this presents us with another opportunity to do that.

Michael GALEA: Thank you. Minister, budget paper 5, page 106, speaks to the state's considerable investment in the National Disability Insurance Agency. There are very well-publicised, recently announced federal reforms to the NDIS. Does this have any connection with Thriving Kids?

Lizzie BLANDTHORN: Thank you. We at the outset acknowledge that this is massive reform and that families particularly with children but I think families of all people who are part of the NDIS are watching nervously to see what these reforms mean for them. It has caused anxiety for people with disability, for their families, their carers and indeed the broader community. If I take a step back, the first stage of foundational supports through Thriving Kids is aimed at that zero-to-eight age cohort, and we will support them through the Thriving Kids program, as we have announced. But I appreciate the Commonwealth's recent announcement goes a lot further than just Thriving Kids and speaks to foundational supports more broadly.

The Commonwealth's announcements in relation to securing the NDIS for future generations contain some information on the changes to that as well, and that information is available on the department of health and ageing's website. We look forward to fruitful engagement with the Commonwealth about that. We do contribute more than \$3 billion a year to the national disability insurance scheme. We are co-governors of the scheme, and it is important that we continue to seek the information that we need to then make decisions that go

both to Thriving Kids but also more broadly than just Thriving Kids and that we get the information and the data and the modelling that we need to then also have those discussions and make those representations.

We do need further information in relation to key aspects of legislation: how functional capacity assessments will work, how criteria will be tightened for reasonable and necessary supports, how the NDIA will reduce unscheduled reassessments. There is a lot of work, more data and modelling that needs to come our way for us to make those decisions. But ultimately, we look forward to a really positive engagement going forward with the Commonwealth as co-governors of the scheme as to how we can have those conversations and make sure that Victorians get the supports that they need and deserve.

Michael GALEA: Thank you, Minister. Turning also to the ‘Department Performance Statement’, page 45, and the performance measure ‘Social Service Providers satisfaction with education and guidance provided by the Social Services Regulator’, Minister, I would just like if you could expand on your remarks about what the reforms that you intended to bring into effect with the Social Services Regulator would have achieved for Victorians living with disability.

Lizzie BLANDTHORN: Thank you very much for that. I do appreciate the opportunity to come back to this. To go to the questions that Ms Benham was asking last year, we proposed a uniform suite of child safety reforms to address many of the issues that have been outlined, particularly in the previous hearing and including now. Due to the actions of the opposition those reforms were unable to progress, but they would have established a dedicated complaints function in the Social Services Regulator for children in out-of-home care and, of particular interest in this hearing, in disability services. They would have been progressively expanded to encompass all social services that are registered by the Social Services Regulator. We sought to align the work of prohibition schemes across the disability and out-of-home care systems to ensure that predators cannot move across these systems. Again, the opposition voted against that.

Through this enhanced intelligence in the regulator we would have been able to use this to inform NDIS worker screening check and working with children check reassessments and establish a carers register. Not only were we prevented from passing these important elements of the reform but, had we been able to do this, we would have been able to keep children safer, particularly children with disability. This was something that was particularly important to ACD, Association for Children with a Disability, who do an amazing job. It was particularly important to other organisations like MacKillop Family Services, like the Victorian Council of Social Service and a number of others who work with children with disability.

Jade Benham interjected.

Lizzie BLANDTHORN: If I pick up on the interjections of Ms Benham, I refer the committee to the speeches that I gave in *Hansard*. Perhaps the committee might like to use those in considering their report, because contrary to the interjections of Ms Benham, they do provide a full list of all of the disability organisations that supported the bill.

Jade Benham interjected.

Michael GALEA: Thank you, Minister. I do hear muttering from my left, but I am curious to know, Minister: did any of those who opposed the bill in the Parliament actually present an alternative version of reform that would have safeguarded Victorians living with a disability in the same way?

Lizzie BLANDTHORN: No, they did not provide any different alternative to ensure that predators could not get through those cracks and to ensure that we keep children with disability as safe as we keep all other children.

Michael GALEA: It is extraordinary. Thank you, Minister. I would also like to ask with the time I have, briefly, about budget paper 3, page 39, ‘Continued support for Victorians with disability’. I am wondering if you could outline some of the initiatives in this package.

Lizzie BLANDTHORN: Yes. Thank you, Mr Galea. The Victorian government continues to invest in a range of programs to support people with disability outside of the national disability insurance scheme. I am sorry, but we have been timed out.

The CHAIR: Thank you, Minister. We will have to do it in the coffee break. Mr Puglielli.

Aiv PUGLIELLI: Thank you, Chair. Good afternoon. The department's estimates questionnaire shows the Victorians ineligible for the NDIS – the VIN program – supported 48 people in 2025–26. Does the government plan to extend that program, and is there funding for that in this budget?

Lizzie BLANDTHORN: The Victorian government continues, as I was just saying to Mr Galea, to invest in a range of programs to support people with disability outside of the NDIS. The budget builds on existing support for Victorians with disability. There is \$41.5 million to support and improve inclusion of Victorians with disability, and that continues so that we have that ongoing support for people who are outside of the NDIS. I would say too that these decisions are all being made in the context of the bilateral agreements with the Commonwealth in relation to the NDIS – in particular, Thriving Kids – and what that means long term.

Aiv PUGLIELLI: For that VIN program, what impact are we seeing from those federal changes for a program like this? I mean, is it equipped to meet demand over the forward estimates or is it already at capacity?

Lizzie BLANDTHORN: Sorry, could you just repeat that?

Aiv PUGLIELLI: The VIN program, is that already running at capacity or is it equipped to meet demand following those federal NDIS changes?

Lizzie BLANDTHORN: I might refer to Deputy Secretary Alisandratos.

Argiri ALISANDRATOS: Thank you, Minister. That program is continuing. It is being funded through this year's appropriation. It is there to support people who are ineligible to get assistance from the Commonwealth because of their residency status. There are negotiations that occur with the Commonwealth to transition some of those individuals as they progress through their status. That is what that program is there to do – to continue to support those individuals.

Aiv PUGLIELLI: That number for the 2025–26 year, per the questionnaire where it says 48 people supported, is that historically a high number for this program? Where does that sit in relation to previous years?

Argiri ALISANDRATOS: It is a fluctuating number. People come into the program, and once their residency status changes then they transition onto NDIS support.

Aiv PUGLIELLI: So we would gather that from the federal changes, we would anticipate that number might increase. Is that correct?

Argiri ALISANDRATOS: It is largely dependent on the residency status of the individuals.

Aiv PUGLIELLI: Okay. But by virtue that they are not accessing the NDIS, therefore they are more likely to become eligible for this scheme. Is that correct?

Argiri ALISANDRATOS: They will continue to be supported through this scheme for the period of time that they are eligible.

Aiv PUGLIELLI: Is this a particular program you can speak to, maybe about briefings you have had with your federal counterparts?

Lizzie BLANDTHORN: Because it is a program for non-residents, as someone's residency status changes, as the Deputy Secretary said, their eligibility for that program may change. But also, to view it alongside the changes to the NDIS, obviously there are broader changes to everyone's eligibility under the NDIS. So someone who may be a resident may today be eligible for the NDIS, but in a future NDIS they may not be. It is a bit of a fluctuating number, but it is difficult to answer that question directly.

Aiv PUGLIELLI: Thank you.

The CHAIR: Thank you, Mr Puglielli. Minister and officials, thank you very much for appearing before the committee today. The committee will follow up on any questions taken on notice in writing, and responses are required within five working days of the committee's request.

The committee will take a short break before beginning its consideration of the portfolio for casino, gaming and liquor regulation at 4 pm. I declare this hearing adjourned.

Witnesses withdrew.