

# **PUBLIC ACCOUNTS AND ESTIMATES COMMITTEE**

## **Inquiry into the 2025-26 Budget Estimates**

Melbourne – Tuesday 10 June 2025

### **MEMBERS**

Sarah Connolly – Chair

Nicholas McGowan – Deputy Chair

Jade Benham

Michael Galea

Mathew Hilakari

Lauren Kathage

Aiv Puglielli

Meng Heang Tak

Richard Welch

**WITNESSES**

Lizzie Blandthorn MLC, Minister for Disability; and

Peta McCammon, Secretary,

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

Drew Warne-Smith, Deputy Secretary, System Reform, Workforce and Engagement,

Danny O'Kelly, Deputy Secretary, Community Operations and Practice Leadership,

Carley Northcott, Executive Director, Disability Reform and Complex Needs, and

Sherri Bruinhout, Executive Director, Homelessness and Housing Support, Homes Victoria, Department of Families, Fairness and Housing.

**The CHAIR:** I declare open this hearing of the Public Accounts and Estimates Committee.

I ask that mobile telephones please be turned to silent.

On behalf of the Parliament, the committee is conducting this Inquiry into the 2025–26 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, any comments you make outside of this hearing may not be protected by this privilege.

All evidence given today is being recorded by Hansard and is broadcast live on the Parliament's website. The broadcast includes automated captioning. Members and witnesses should be aware that all microphones are live during hearings and anything you say may be picked up and captioned, even if you say it quietly.

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

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.

I welcome the Minister for Disability the Honourable Lizzie Blandthorn as well as officials from DFFH. Minister, I am going to 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, and thank you to the committee for the opportunity to present on the disability portfolio, including the Victorian government's investment in 2025–26. I begin by acknowledging the traditional owners of the land we are meeting on today and pay my respects to elders past and present.

**Visual presentation.**

**Lizzie BLANDTHORN:** Through the disability portfolio the Victorian government is advancing the inclusion, participation and rights of people with disability. The Victorian government is working with people with disability, community members and other governments to progress reforms that will make Victoria a fairer, more inclusive place for all. This includes Victoria's response to the disability royal commission, building on our commitments under the *Inclusive Victoria: State Disability Plan 2022–26*, which continues to guide our work. These reforms are complex, and we know that good reform takes time and it is important that we get it right. We will continue to engage with people with disability and their supporters as we drive better outcomes for the more than 1.3 million Victorians with disability.

In 2025–26 Victoria will contribute \$3.34 billion towards the NDIS. This includes a \$3.12 billion cash payment and in-kind services for specialist school transport, personal care in schools delivered by the Department of Education and the multipurpose taxi program delivered by the Department of Transport and Planning.

Victoria continues to advocate, along with other state and territory governments, for a sustainable NDIS and a broader ecosystem of supports for people with disability. We have heard that the community is seeking clarity on the foundational supports recommended in the NDIS review and when they might be available, and all governments remain committed to the existing collaborative process on NDIS rules and work on foundational supports. Under the recent one-year agreement signed by all governments, this will include the design of supports for children eight years and under with autism and developmental delay and their families and general supports for all other people with disability under 65. While this work is complex, we are committed to working closely with the Commonwealth, states and territories on the early design of additional foundational supports to ensure that no-one is left behind.

Whilst we continue to deliver supports for Victorians with disability outside of the NDIS through our investment of \$24.1 million in the 2025–26 state budget, it is important to recognise that the national disability insurance scheme is now fully implemented in Victoria, and this has led to over 126,000 Victorian participants receiving disability supports for the very first time. When discussing NDIS reform we need to acknowledge and celebrate the achievement of the scheme for Victorians with disability. Through *Inclusive Victoria: State Disability Plan – 2022–26* the Victorian government is committed to improving the lives of the over 1 million Victorians with disability. *Inclusive Victoria* sets out a range of actions to promote better outcomes for Victorians with disability. Progress under the state disability plan includes practical, real-world inclusion and accessibility improvements, like the 83 Changing Places facilities that Victoria has contributed to the construction of around the state. These are larger than standard accessible toilets for people with high support needs. Of the 333 Changing Places operating nationally, 161 are in Victoria.

But we know that accessible infrastructure is only one part of making our community inclusive. A key commitment in the state disability plan was the publication of the midway report, which was tabled in Parliament on 28 November 2024. The report outlines progress achieved over the first two years of the plan. It found that of our 175 original actions, 28 are complete, 139 are on track to be completed by June 2026 and only eight of the 175 actions are still to be progressed. Importantly, because there is always more to do to improve disability inclusion in Victoria, we have added 11 new actions to the plan.

Overall the 2025–26 state budget provided \$70.7 million through the disability portfolio for a range of supports for people with disability. Key investments include \$24.1 million in 2025–26 for the continuation of supports for people with disability. This funding will support an integrated suite of supports in mainstream services for children with disability and their families, as well as supports for parents with disability and increased access to publicly funded autism assessments, and this funding will also continue to boost funding to the Victorian disability advocacy program in 2025–26.

There is \$19.2 million across four years for the replacement of fire panels in more than 300 Victorian government owned specialist disability accommodation houses across the state, and there is \$27.5 million over two years to maintain the regulation of disability and social services, specifically for the continuation of the VWC and DWR board of Victoria.

**The CHAIR:** Thank you, Minister. We are going to Ms Benham.

**Jade BENHAM:** Thank you, Chair. Evening, Minister, again. Minister, the current budget outlines funding for disability programs and services, and those services include the disability services commission, the Victorian Disability Worker Commission and the Victorian disability registration board. The sector has made it clear that it wants a standalone disability regulator, not part of a one-stop shop. In a recent question in parliamentary question time, you implied these services would be combined into the new Social Services Regulator. Will there be a standalone regulator, as the sector has been requesting?

**Lizzie BLANDTHORN:** There are a few issues that have been merged into one there, Ms Benham, but to go to, firstly, the entities reform in relation to the Social Services Regulator, it absolutely remains my view that when it comes to the regulation of social services and when it comes to ensuring that people who access social services have a simplified way of ensuring that those services are regulated in a way that reflects their various

needs, it is really important that there is a reform, if you like, that simplifies and strengthens the regulation of social services in Victoria. The government is absolutely committed to ensuring that the system is straightforward, that problems with disability service providers and disability workers can all be dealt with under one roof. There have been extensive consultations and there will continue to be further consultation in relation to that, including with some of those who have expressed concern.

We absolutely acknowledge that this has been a really uncertain time for people with disability. They have had the NDIS review and associated reforms, they have had the disability royal commission and at the same time we are now talking about how we can better improve regulation of social services, including disability services, here in Victoria. So absolutely I can appreciate that it has been an uncertain time for people with disability, and they rightly have questions about how we can best do that. But it absolutely remains my intention that it be simple, that it be straightforward, that for people who have disabilities but may also have intersections with other issues, be it housing or other social services, there is a simple one-stop shop that enables them to get support, somewhere they can make a complaint if they need to make a complaint –

**Jade BENHAM:** In the interests of time, your own slogan ‘Nothing about us without us’ – the sector have made it clear that they do not want that one-stop shop. They want a standalone service. So which is it? Are you giving the sector what they want and listening to them or forcing an amalgamation under the new umbrella of the regulator?

**Lizzie BLANDTHORN:** What I am saying, Ms Benham, is I reject the premise of your proposition.

**Jade Benham** interjected.

**Lizzie BLANDTHORN:** Would you like me to answer your question, Ms Benham?

**Jade BENHAM:** It is a yes or no. Is there going to be a standalone regulator?

**Lizzie BLANDTHORN:** I disagree with you. I do not think it is a yes or a no. As I have said, we are going to continue to have a conversation with the disability community, but at the same time there is absolutely a need to recognise that the system as it currently stands does not work. If I take an example, according to the 2023–24 DSC annual report the commission received a total of 69 new complaints last year. Seven of those complaints were assessed as in scope and 62 of those complaints were assessed as out of scope, which is a very clear indication that people with disability do not necessarily get the services that they are looking for when they go to the disability services commissioner. Now, that does not say that there is not a role for the disability services commissioner, and what we are talking about here is merging roles, not abolishing roles. I would hate to see that there is any scare campaign about that, because what we have suggested is that there is absolutely an important role for the disability services commissioner and the Victorian Disability Worker Commission, but those roles should be part of a simplified system that ensures that the interconnectedness of people’s requirements of the social services system is recognised and people have a place that they can go to for a complaint that might be multifaceted. We will continue to consult about what that looks like, and we will continue to work with the disability groups.

**Jade BENHAM:** Minister, in the interests of time, what other disability groups have you consulted with outside VCOSS and the department?

**Lizzie BLANDTHORN:** As I said in my answer to this question in the house, we have spoken with a number of community organisations.

**Jade BENHAM:** Can you name them?

**Lizzie BLANDTHORN:** We have spoken with the commissioner himself. We have spoken with others, and we will continue. We have a plan of consultation. We will continue to consult with those people going forward and we will continue to –

**Jade BENHAM:** Can we name some of the organisations, please?

**Lizzie BLANDTHORN:** If you give me a moment, I can find exactly the page that can list all of them for you, or the Secretary might have it at hand. But we have consulted and we will continue to consult, because what we are interested in is a reform that works for people with disability and recognises the interconnectedness

of their issues. So far, conversations to establish these sessions remain ongoing, and we have confirmed further participation with National Disability Services, further participation with VCOSS, further participation with Anglicare, further participation with Victorian disability council, the Office of the Public Advocate, the Centre for Excellence in Child and Family Welfare and the Disability Advocacy Resource Unit. It is important, if we think of the conversation that we had earlier in relation to children, that many of these services now provide services in the children and families sector as well as in the disability sector. The merger of Berry Street and Yooralla is a really good example of that, where they now come under one roof and where a one-stop, simplified system of regulation and of somewhere that people with disability know they can go to get service and their complaints heard if necessary is absolutely critical.

**Jade BENHAM:** Thank you, Minister. Moving on to budget paper 3, page 124, which outlines a \$105.8 million cut for disability programs and services on what was spent last year, the footnote explanation is:

The reduced 2025-26 target primarily reflects the successful completion of government initiatives, such as the transfer of disability services to non-government providers as part of Victoria's transition to the National Disability Insurance Scheme.

Given this is the primary reason, surely that does not account for the full \$105.8 million in cuts? What are the other areas?

**Lizzie BLANDTHORN:** I think the footnote is quite explanatory, but this issue was obviously canvassed at last year's PAEC. As I advised PAEC last year, the reduced target reflects the completion of the transfer of the disability services to non-government providers. I will not re-read the footnote, because you have already read it. But this reflects the success, notwithstanding the review and the reform, of the NDIS. But as I said at our disability ministers meeting on Friday, the NDIS is the social services reform of our generation in a way that Medicare was a reform of many of those before us. The successful completion of the NDIS involved that transition payment for those organisations that were previously providers or still providers but recognised that they needed that additional payment in the transition to the NDIS. That has now been or will be successfully completed, and that is what those numbers reflect.

**Jade BENHAM:** How much of the cut is made up of the transfer of services to non-government providers?

**The CHAIR:** Apologies, Ms Benham. We are going to go to Mr Tak.

**Meng Heang TAK:** Thank you, Chair. Minister, budget paper 3, on page 38, in table 1.11, makes reference to the initiative 'Continuing support for Victorians with disability'. Minister, can you please advise the committee of the initiatives in this package?

**Lizzie BLANDTHORN:** Yes. Thank you. I appreciate the question. The Victorian government has a strong history of supporting people with disability, both through our more than \$3 billion contribution to the NDIS, as I spoke about in my presentation, and also through our support for people with disability outside of the NDIS. In this budget, funding is provided to maintain critical supports, which include the Victorian disability advocacy program, supporting Victorians with disability who are ineligible to receive services from the NDIS; publicly funded autism assessment grants for people who would otherwise be unable to afford the assessment; delivery of an integrated child and family services response for the most vulnerable children with disability; and building the capacity of mainstream services to support people with complex disability needs. Continuing these initiatives ensures Victoria's mainstream service systems are providing inclusive and accessible supports and delivering reasonable adjustments for people with disability, and it will also ensure the continuity of critical supports for Victorians with disability who are ineligible for the NDIS to take up the advocacy program.

\$1.96 million was provided to maintain the capacity of the Victorian disability advocacy program. This investment will support the disability advocacy program to amplify the voices of people with disability, and the funding also positions Victoria to address relevant recommendations of the disability royal commission and of course the NDIS review. This additional investment builds on recurrent funding of \$3.6 million and will help agencies respond to ongoing demand for disability advocacy services. The Victorian disability advocacy program helps people advocate for their individual rights but also for systemic change, and advocacy is instrumental in maximising access and equity for those Victorians who are ineligible for the NDIS.

In supporting those who are ineligible for the NDIS, another aspect of this package ensures Victoria continues to be responsible for those people who are not eligible for the NDIS – for example, it might be because of their residential status. The bilateral agreement between the Commonwealth and Victoria on the NDIS identifies the

responsibilities of both parties in that continuing relationship. In this budget we are providing funding for disability support to people with disability living in Victoria on long-term temporary visas or who are ineligible because they do not meet other residency requirements. There are the autism assessment grants, as I mentioned: \$2.3 million directed to ensuring that those who might not otherwise afford an assessment can get one.

Integrated child and family services – as I said earlier in my conversation, there is a real link, and the component of this package provides services that are designed to support children with disability and their families by intervening earlier in the system, I guess is the best way to put it, in terms of keeping families together and out of the statutory system. The investment funds 58 practitioners in family services agencies and 12 VPS disability practice advisers, who really work together to target those families who are at risk of breakdown in particular and involvement with statutory services. There are four closely linked components that work as an integrated suite of supports to ensure that families receive the support they need, as well as increasing the expertise of the NDIS and disability in the family services system.

Building the capacity of mainstream services – this aspect of the package is helping mainstream services to work with the NDIS more effectively and support people to access both mainstream services as well as the scheme. Since transition to the scheme, we should note, we have seen the NDIS and the mainstream service system in Victoria continue to merge and respond to new challenges. This includes the establishment of Commonwealth-funded programs and specialist roles such as NDIS specialist support coordination, the NDIS complex-needs support pathway, health liaison officers, justice liaison officers and the recent announcement of a pilot program in Victoria for children's liaison officers, which is exciting. Victoria has also invested in a range of targeted coordination roles which are designed to connect mainstream agencies such as the prison disability support initiative, principal disability practice advisers, family violence and disability practice leads, disability liaison officers in health and also additional complex needs coordinators. So there is a lot that is happening there.

**Meng Heang TAK:** Thank you, Minister. Also, in your answer you talked about autism assessments, and I reference page 41 of budget paper 3. Minister, can you tell us what this funding entails?

**Lizzie BLANDTHORN:** Yes. Thank you. I skipped out of it because I was worried I was talking too long and I was not going to let you get to the next question, but we want to make sure that people who need autism assessments the most and who might otherwise have the least access are getting that access. So Victoria really continues to lead the way in Australia in the provision of autism assessments. No other jurisdiction offers a comparable scale or range of publicly funded assessment options. There is a further \$2.3 million in this budget, which means we can support a range of community settings so that Victorians can access the public autism assessments in different ways through different places. We will fund 450 additional public assessments; five adult mental health services that focus on helping people who have been previously misdiagnosed with mental health disorders or present to services with eating disorders; for those people, three community health services that focus on child and youth assessments for families that cannot afford an assessment; two Aboriginal community-controlled organisations that provide culturally safe assessment for families that might not otherwise be able to access that; and a really groundbreaking one as well, the Olga Tennison Autism Research Centre, which provides assessments specifically for children aged between 12 and 36 months and has a focus on families with low socio-economic indicators as well. So the funding means that they can provide them free or at really low cost for those families who might not otherwise be able to access them.

**Meng Heang TAK:** Yes, that is a lot of support. Minister, I refer to your presentation. You referred to the *Inclusive Victoria: State Disability Plan 2022–2026*, and that also includes portfolio-specific action across all aspects of government. Minister, can you outline some of the initiatives that contribute to the shared responsibility across government agencies?

**Lizzie BLANDTHORN:** Yes. Thank you. As I think Minister Shorten previously said to me, you can always tell a Victorian because they will tell you how much better they are than anyone else at doing these things, but *Inclusive Victoria* leads the way in disability reform. As I have discussed a number of times with Mr McGowan, there are many achievements through *Inclusive Victoria*. There remain more things to do, but there are many achievements as well. I was really pleased on 6 December when we published a midway report on the progress of the first two years of *Inclusive Victoria*. Many achievements were identified by departments across government, some within my purview but others in other ministers', including in education, health, housing, families and children, sport and recreation, transport and advocacy. The midway report shows that of

the 175 actions, 28 are complete; we are on track to complete a further 139, in accordance with the timeline, by 2026; and there are still eight that need to be progressed. But because we know that there is always more to do when it comes to building an inclusive Victoria, since we initiated the plan we have added 11 new actions as well.

As part of the midway review we also reviewed the outcomes framework for the state disability plan. This was also important to ensure that it is as current as it can be and that the relevant data is there to show how our work is improving the lives of people with disability. The current state disability plan and the *Victorian Autism Plan* have both been extended to 2027. We will consult because, contrary to what was being proposed by some opposite earlier, we are most interested in what the community feels, thinks and has to say about how we progress this going forward. So we will be consulting on the next state disability plan, and this means we can respond to the national reforms in the new plan. There will be more time to consult with the disability community. We will continue to progress the systemic reforms which are changing the way we work, including making information infrastructure and public spaces more accessible. We will also continue to work to improve outcomes for people with disability, including support for people accessing health care, inclusion in sport and recreation, greater inclusion in schools and support for children with complex disability support needs.

**Meng Heang TAK:** Thank you, Minister. Moving on to another budget item on budget paper 3, page 46, table 1.12, 'Specialist disability accommodation (SDA) safety: fire panel replacements', Minister, can you talk us through the need for this work and how it is planned to be implemented?

**Lizzie BLANDTHORN:** Yes. Thank you. At the outset it is important to note that the Victorian government is the largest provider of specialist disability accommodation, also known as SDA, in Victoria. It is a form of specialist housing for people who have extreme functional impairment or very high support needs. This housing is provided in a competitive market regulated by the NDIS Quality and Safeguards Commission. An individual's eligibility and funding for SDA is decided by the NDIA, and people living in SDA also receive support from independent support providers. The SDA market in Victoria is growing as well, and there are now more options available for people with disabilities seeking suitable housing.

**The CHAIR:** Apologies, Minister.

**Meng Heang TAK:** Thank you, Minister.

**The CHAIR:** We are going to go to Mr Puglielli.

**Aiv PUGLIELLI:** Thank you, Chair. Good evening. Minister, just on page 128 of budget paper 3, can I ask: as a result of NDIS changes are there any instances you can point to where this portfolio has been required to provide disability services that were previously provided by the NDIS?

**Lizzie BLANDTHORN:** Specifically not as yet, but there are obviously the services, as I just spoke to, that we provide for those who do not have an NDIS plan. I think, again, one of the remarkable things about Victoria is we have successfully managed to keep some of our disability infrastructure in place in a way that I think, again, is the envy of other states as we embark on this journey of following the NDIS review and the establishment of foundational supports as we agree them and design them and also because they are complemented by our universal systems of education and health. We do have other services, both disability specific but also more, as I like to describe it, a business-as-usual approach to inclusion that means that we are providing for people with disabilities in other ways through our work in schools and our health system and whatnot. But for people who were previously NDIS participants, as a result of changes to the scheme we are not quite there yet. We are in this process of agreeing foundational supports and designing foundational supports for that cohort of zero to nine. So we will absolutely be there in the not-too-distant future, but we are not yet over and above what we already have as non-NDIS-specific supports, if that answers your question.

**Aiv PUGLIELLI:** Yes. In terms of the not-too-distant future, is there a timeline you can prescribe to that? How far into the future are we talking?

**Lizzie BLANDTHORN:** Initially there was discussion of around 1 July of this year. The Commonwealth have now agreed that is not achievable, because their legislation took much longer to get through Parliament than they originally anticipated, and the agreement about what foundational supports are and the design work for them is really a live conversation. As I indicated before, we had a disability reform ministers council

meeting in Adelaide on Friday with the new ministers Butler and McAllister. This is obviously also linked to the national cabinet discussions and the health agreement as well. There is further work to go on that, and it is concurrent, if you like, but also until there is an overarching agreement at the national cabinet level it is difficult to really define in a disability sense what that will be.

**Aiv PUGLIELLI:** Okay. Thank you. On disability programs and services in this budget, is there anything dedicated to prenatal care and support for parents who receive a diagnosis their child has Down syndrome?

**Lizzie BLANDTHORN:** There is not something specific in this budget for families with Down syndrome, but there are a multitude of other ways in which we are supporting them. Our timer has gone off, but I am happy to continue that conversation. We work very productively with Down Syndrome Victoria about how we can better do that.

**Aiv PUGLIELLI:** Thank you.

**The CHAIR:** Thank you very much, Minister. Minister and Secretary, thank you for appearing before the committee this evening. 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.

I thank all ministers and officers who have given evidence to the committee today, as well as Hansard, the committee secretariat and parliamentary attendants. I would also like to thank the hospitality, security and cleaning staff who have looked after all of us today. The committee will resume its consideration of the 2025–26 budget estimates on Wednesday 11 June at 8:30 am. I declare this hearing adjourned.

**Committee adjourned.**