

VERIFIED TRANSCRIPT

PUBLIC ACCOUNTS AND ESTIMATES COMMITTEE

Inquiry into budget estimates 2010–11

Melbourne — 18 May 2010

Members

Mr R. Dalla-Riva

Ms J. Graley

Ms J. Huppert

Mr W. Noonan

Ms S. Pennicuik

Mr G. Rich-Phillips

Mr R. Scott

Mr B. Stensholt

Dr W. Sykes

Mr K. Wells

Chair: Mr B. Stensholt

Deputy Chair: Mr K. Wells

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Executive Officer: Ms V. Cheong

Witnesses

Ms L. D'Ambrosio, Minister for Community Development,

Mr Y. Blacher, Secretary,

Mr S. Gregory, Chief Financial Officer,

Mr D. Ferrie, Executive Director, Community Programs, and

Ms M. Knapp, Manager, Community Development Strategy, Department of Planning and Community Development.

The CHAIR — I declare open the Public Accounts and Estimates Committee hearing on the 2010–11 budget estimates for the portfolio of community development. On behalf of the committee I welcome Ms Lily D’Ambrosio, MP, Minister for Community Development; Mr Yehudi Blacher, secretary, Department of Planning and Community Development; Mr Damien Ferrie, executive director, community programs, Department of Planning and Community Development; Mr Stephen Gregory, chief financial officer; and Ms Melinda Knapp, manager, community development strategy, Department of Planning and Community Development. Departmental officers, members of the public and the media are also welcome.

In accordance with the guidelines for public hearings, I remind members of the public that they cannot participate in the committee’s proceedings. Only officers of the PAEC secretariat are to approach PAEC members. Departmental officers, as requested by the minister or her chief of staff, can approach the table during the hearing. Members of the media are also 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 and is protected from judicial review. However, any comments made outside the precincts of the hearing are not protected by parliamentary privilege. There is no need for evidence to be sworn. All evidence given today is being recorded. Witnesses will be provided with proof versions of the transcript to be verified and returned within two working days. In accordance with past practice, the transcripts and PowerPoint presentations will then be placed on the committee’s website.

Following a presentation by the minister, committee members will ask questions relating to the budget estimates. Generally the procedure followed will be that relating to questions in the Legislative Assembly. I ask that all mobile telephones be turned off.

I now call on the minister to give a brief presentation of not more than 10 minutes on the more complex financial and performance information that relates to the budget estimates for the portfolio of community development.

Ms D’AMBROSIO — Chair, thank you for the opportunity to do a short presentation here. I certainly look forward to elaborating further on budget estimates and accounts in the portfolio. I believe members have in front of them a copy of the slide presentation, so I will simply walk through that with you.

Overhead shown.

Ms D’AMBROSIO — To start off with there are some key areas that I wish to focus on; the first one being A Fairer Victoria and the investment in that area now for a number of years. Members will know that A Fairer Victoria 2010 was recently launched by the Premier, in early May, and this program, this strategy, is very much a whole-of-government approach to social policy. A Fairer Victoria 2010 commits \$1.35 billion to protect the vulnerable and address social disadvantage across a range of initiatives. It certainly builds on funding that has been provided since 2005. This investment has all been directed to addressing disadvantage and increasing opportunities right throughout Victoria — metropolitan and rural and regional Victoria. Some of the initiatives that are included are to help those in the community who are most vulnerable: homeless people, families on low incomes and those with a disability or mental illness. These are some of the key themes in A Fairer Victoria 2010. It is also being directed to ensuring our universal services in early childhood education and health remains strong and accessible to all in the community.

So we come from a very clear premise — that is, with robust and sustained investment over a period of time we can start to see, and work towards, great improvements in those areas of vulnerability and disadvantage across our communities in Victoria. The results so far are very pleasing in that we have seen a number of improvements that focus on early childhood development. Getting the best start of course is a very important priority area for the government because when we invest in the early years of a person’s life, we know that there is a greater opportunity to militate against disadvantage in the longer term. So that is a very strategic focus of A Fairer Victoria 2010, and one that we will continue to deliver with a \$1.35 billion investment. As you can see, this slide tells us about the additional investment that will be delivered over the forward estimates period, and again that builds on a lot of solid work in that area to date.

Priority area 2 is about improving education and helping people into work, so again we look at key transitional areas in people’s lives. It is about mitigating disadvantage, dealing with vulnerability and giving people the best

opportunity they can have to make a good go of it for themselves and their family later in life. Of course education is important in helping people into work and we can see that through some of those strategic, specific areas of funding from 2010 A Fairer Victoria, we will continue to grow investment in strategic programs in areas of greatest need, and at local community level.

Let us move on to the next priority area, which is improving health and wellbeing. We continue to provide significant amounts of money in areas such as mental health reform. That was an area that was identified very early on by government as an area needing greater investment and a greater strategic approach to tackling disadvantage — disadvantage that comes to people who have mental illnesses. Unless you are able to cope with matters to do with mental illness — that is a risk factor that needs to be taken into account and you can start dealing with that — some of the other social problems that arise in a person's life can be tackled more readily. Again, it is about mitigating disadvantage and vulnerability into the future. You can see that there is a very healthy investment in some of those areas where mental health reform is a priority for us. Disability reform is a very important area to ensure that all those in the community are able to get the best start for themselves, no matter how vulnerable or disadvantaged they may be.

Priority area 4 is about delivering livable communities. Livable communities are about having healthier communities or about having more socially inclusive communities — having communities and individuals who are better able to participate in the social and economic life of their community. When you have that you certainly have healthier communities, you certainly have greater educational outcomes and you have better employment outcomes. As you can see, the specific areas of funding in priority area 4 look at some of those key areas of Transport Connections; that again is about that social inclusion element. We continue to roll out significant amounts of money in areas such as rural and regional Victoria supporting community facilities and infrastructure. That too is a very important element in being able to bring communities together for socialisation, for growing economic prosperity and for good educational outcomes.

I would now like to move outside of the 2010 framework of A Fairer Victoria. Transport Connections is a very important theme for us in government. We have been very much committed to growing transport options right across Victoria. Transport options in rural and regional communities is a matter that often leads to a lot of social exclusion. It leads to social isolation and it often causes a disconnect, if you like, from opportunities for people to be able to access. Whether it is opportunities to access internet space at a public area, a community facility, a TAFE college or visiting a general practice for health needs, all those issues and access to those issues are really important in being able to grow a community, strengthen a community and give a community an opportunity to have a fuller social and economic engagement right across all the people involved in the community. In relation to Transport Connections, there is continued funding. As you know, in this budget there has been an allocation of additional funds — I believe it is \$22 million — to continue to target 32 Transport Connections locations in rural and regional Victoria. That is strategically important because it is about growing the gains that have been identified to date in those communities. Transport Connections is about local communities driving change, owning change and owning solutions. This will extend that. It will also extend to an additional group of locations after the 2013 period.

I will move on to the Office for the Community Sector. This is an instrument through which we will continue to work very closely with the not-for-profit sector. This sector is facing some significant challenges into the future, one of which is the need to retain and train volunteers but also its work force and having opportunities to cut red tape in terms of moving from spending too much resources and time dealing with bureaucracy and administration to freeing them up to spend more time on delivering services, as they are designed to do.

The Office for the Community Sector is continuing to work closely with the not-for-profit sector to assist in increasing efficiencies and growing opportunities for that sector to be able to prosper into the future and do the fine work that those in that sector do, a lot of which is concentrated on delivering a lot of services to the most needy in our community on behalf of government.

The CHAIR — Are you finished, Minister?

Ms D'AMBROSIO — Yes, I am almost finished.

Volunteering is a very important element of our budget, and we are looking forward in terms of growing the number of volunteers and assisting the not-for-profit sector to be able to retain and train volunteers in a very changing climate of volunteering. I will not labour it any more on that because I know time is of the essence.

The Community Support Fund is about strategic focus. It is about problem gambling risk factors but it is also about building stronger communities. We have been doing quite significant work, and will continue to, in terms of high transparency and more strategic funding as we move forward to support those two broad objectives.

In terms of the expenditure items on the next group of slides, the allocation of funding from the CSF, the estimated expenditure for 2009–10, is around \$110 million. That is made up of the \$108 million that we focus on each year but it also includes \$2 million for capital expenditure for a particular sporting precinct in Knox which remains the property of the government — it is an asset which remains with government.

Just quickly, the emerging issues of population growth and demographic change, whether it is in metropolitan Melbourne or rural and regional Victoria, volunteering, and stronger community organisations are the three broad focuses I have in my portfolio into the future.

The CHAIR — Thank you for that, Minister. I have asked all of the other ministers and the Premier to outline the plans and strategies underpinning the budget for their portfolios over the next year and the coming years in terms of government priorities and outcomes to be achieved. Could you tell the committee what are the medium and long-term planning strategies you have and whether there has been any change from last year?

Ms D'AMBROSIO — It is very clear that evidence is emerging that shows a very strong correlation between communities with very strong networks and those with better health outcomes, success at school, lower levels of contact with the criminal justice system and high levels of economic participation. Those two correlated issues are very important in terms of the focus for me and my portfolio into the future. The focus of the portfolio for the next few years will be on strengthening our communities through development of very strong social networks and place-based approaches.

Place-based approaches is critically important. We need to look at individuals and cohorts of people who are falling behind or perhaps do not have the opportunities to become fully involved and participate in the community. Places is also very much an area where you can have very entrenched disadvantage; so you will see that the community development portfolio will focus very squarely on those two elements into the future.

The release of A Fairer Victoria lays the foundation for continuing reform to prevent and reduce disadvantage. It is very important that the focus there is also on place-based approaches. Place-based approaches is about members of communities being able to identify problems as they exist in their community, look at solutions, work through solutions and own solutions.

What is very important in all of that is that we need to have an integrated government approach to assist in that process. It is about all three levels of government. It can also be about agencies that exist in the local community. It can be about school communities, higher education institutions, local businesses or philanthropists who may exist in a place and all of those coming together to identify needs and problems, articulating solutions and working on ways of leveraging resources, whether it be funds or in-kind support, to bring about some of those solutions to grow and strengthen that local place.

They are very important and you will see that we will continue to develop new approaches to address place-based disadvantage. It is also about growth and change. In some areas of Victoria where we are seeing rapid population growth the challenges are not just about providing the infrastructure in terms of community spaces and buildings but providing the services early on so that you mitigate against possible disadvantage becoming a problem into the future.

That is an important focus for us. You will see from this budget we are continuing to identify those areas of need and investing in those areas into the future. We are looking at strengthening the innovative capability of the not-for-profit sector. This budget continues to deliver funds and resources for us to continue working in strong partnership with the not-for-profit sector to improve their capability and resilience to be able to continue to provide the services to the most needy in our community.

We will continue to address the demand for community facilities in areas experiencing growth, as I said, but it is also about other areas that are not experiencing growth but nevertheless need assistance, and an opportunity to leverage funds that we provide to them, whether it is in rural Victoria, so that they are able to leverage funds from their own local means; whether it is local government, to be able to build the facilities that provide the social interaction and the community strengthening that they need. That is the broad thrust of where we will be moving into the future.

We are also taking a long-term approach to disadvantage. Disadvantage can sometimes — not always — build up over many years. The other side of the coin is that it can take sometimes quite a significant period of time to be able to address it fully and to make significant change in certain areas. We are starting to see some investment going towards that, hence our continuation of funds for community renewal to extend those programs where they are located. The Corio-Norlane regeneration project is there, and there is first stage funding money there. They are just two examples of our longer-term investment to bring about core significant shift in disadvantage in communities.

The CHAIR — Thank you for that.

Mr RICH-PHILLIPS — Minister, can I take you back to your slide presentation and the four priorities areas that you went through before. I am keen for the committee to get an understanding of which of these programs you are actually responsible for in community development.

Ms D'AMBROSIO — Sure.

Mr RICH-PHILLIPS — Could you just run through them quickly? Is kindergarten demand community development?

Ms D'AMBROSIO — No, it is not, but A Fairer Victoria is a strategy that has been coordinated by a coordinating minister now since its inception, and I continue in that role as coordinating minister.

Mr RICH-PHILLIPS — The capital program, is that community development?

Ms D'AMBROSIO — Are you looking at the Best Start?

Mr RICH-PHILLIPS — I am looking at your second dot point — Victorian children's capital program, \$14 million.

Ms D'AMBROSIO — Yes, I think I have already given you the answer to that. I think you know the answer to that.

Mr RICH-PHILLIPS — Do you acquit that? Are you responsible — —

Ms D'AMBROSIO — No, another minister does that.

Mr RICH-PHILLIPS — Okay. The sustaining out-of-home care, is that your acquittal?

Ms D'AMBROSIO — If you are going to go down this list in the way that I suspect you are, then I think you know the answers to that. I have made it clear to you I am the coordinating minister of A Fairer Victoria.

Mr RICH-PHILLIPS — I am just keen to get a handle on which of these particular programs are your responsibility.

Ms D'AMBROSIO — You should know. I have explained it to you. With Best Start we have a minister responsible for early childhood.

Mr RICH-PHILLIPS — Okay, so the disabilities reform is not one of yours?

The CHAIR — What you are asking, Mr Rich-Phillips, is: which part of A Fairer Victoria and its elements is for you; you are coordinating minister — we have that explanation; and in charge of specific programs — can you just tell us which part of them, please, rather than go through the whole thing?

Mr RICH-PHILLIPS — Of the ones that are listed on the slides, which are the ones — —

The CHAIR — I understand what you are saying, but the minister is indicating her — —

Ms D'AMBROSIO — You will see that in priority area no. 4 there are two areas there — supporting community facilities and infrastructure, and Transport Connections.

Mr RICH-PHILLIPS — So the legal aid or the court — —

The CHAIR — No, we do not — —

Ms D'AMBROSIO — I think you know the answer.

Mr RICH-PHILLIPS — The mental health — —

Mr WELLS — This is not a guessing game; we need the answers.

Ms D'AMBROSIO — You have got the answer.

The CHAIR — No, the minister has given the answer. Ms Graley, we will move on to the next question in that case.

Mr DALLA-RIVA — What a cover-up!

Ms GRALEY — Minister, I would like to ask a question about A Fairer Victoria. I notice especially the progress on the social wellbeing measures. I have got a Hampton Park renewal project happening in my area, and I am very interested in the issues. I know Yehudi has been out there recently, so thank you.

Budget paper 3 on page 158 refers to a little bit about what is happening in A Fairer Victoria. I wonder if you as minister could outline how Victoria is progressing in the priority areas of A Fairer Victoria through this budget and into the forward estimates period?

Ms D'AMBROSIO — You have mentioned one particular area that has received quite significant funds and assistance under the banner of A Fairer Victoria. Through this budget and into the forward estimates we are delivering sustained funding, which equates to robust investment.

Ms GRALEY — That is very important.

Ms D'AMBROSIO — That is about continuing to show the improvements and continuing to grow the improvements, especially in some very critical areas. We have got four priority areas and, as I mentioned earlier, I am happy to go them again: early childhood, educational work, health and wellbeing, and livable communities.

I would like to elaborate that when you focus on the earlier years, for example, you start to see that it becomes a far easier task to mitigate against disadvantage becoming entrenched in the longer term, hence our major investments going forward in those critical areas — that is, building on previous targeted investment but understanding that without the sustainability of investment and robust investment into the future, the gains that we make can necessarily become dissipated over time if you pull out too early.

You will see that through this \$1.35 billion investment under A Fairer Victoria 2010 we continue to provide, and will continue to provide, robust investment in those sustained priority areas.

An important indicator of where the future growth of funds and resources need to go is that last year the first report of the Australian Early Development Index was published. This was obviously a very important report which measures children's development across five areas. That showed that Victoria has the lowest proportion of all states and territories of children classed as developmentally vulnerable or developmentally at risk. That is important for us to understand.

In education, national literacy and numeracy testing in 2009 showed that Victoria exceeds the national average in all year levels. Of course there are areas that we need to continue focusing on to maintain those gains as our population grows. We also need to look at some key areas where we need to have greater improvement, and you can see that funds that we have provided from not just previous budgets but this budget will continue in that work.

I will just talk about volunteering, for example, from my own portfolio. Our volunteering strategy addresses some of the challenges that are experienced by organisations in the not-for-profit sector, for example, that actually deliver a lot of services to vulnerable communities. If we are going to talk about a fairer Victoria and achieving sustained and robust change and improvement in social disadvantage, we need to look at not just what governments can provide but what the not-for-profit sector provides in terms of services and assistance for communities to be able to help themselves. When we start thinking about it in those terms and through that prism, we start to understand that the volunteering strategy is about growing and retaining and training up the volunteers that our not-for-profit sector so heavily relies on to deliver those important services. We know volunteering is changing. It is changing quite significantly and there are a lot of challenges that are posed by those changes. Part of our objective of course is to make sure that we equip the not-for-profit sector to be able to continue on with the terrific work that they do provide.

We have got a very strong service system. These are just some of the things that I think have demonstrated where our investment has gone and what it is producing, which is important in confirming where our future funding needs to go, which is what we are delivering through A Fairer Victoria 2010. We have a very strong service system. An example is the proportion of people with a mental illness who received care. The proportion of people eligible for HACC services who received them is much higher than the national average. We also had a national study last year that the Melbourne Institute prepared for the Brotherhood of St Laurence that found that Victoria had the lowest level of social exclusion than any other state. This provides us with independent evidence that our approach to social inclusion through A Fairer Victoria is working; therefore maintaining and growing that investment in those strategic priority areas becomes all the more important and that is why we are continuing to do that.

We have very high levels of kinder participation — in the 90s. That is a very good figure to have and that has increased over time. We have significantly improved year 12 attainment and have achieved a higher proportion young people in full-time work or full-time study of all the Australian states. Importantly, in terms of health and wellbeing, we have reduced smoking by 4 percentage points. So strategic funding starts to pay off in terms of results, but again that is why you can see that A Fairer Victoria 2010 continues to grow funds in those key strategic areas. Of course when you have healthier communities and more inclusive communities, you have greater chances of better outcomes in terms of education, employment and health. The sound policy framework combined with a large investment and sustained effort over time is making Victoria certainly a fairer, healthier and safer place to be.

The CHAIR — Thank you, Minister.

Mr RICH-PHILLIPS — Minister, I would like to ask you about the Grovedale Community Centre, to which your department has been providing funding. Can I ask you on what basis did the department intervene and purport to convene a meeting of the Grovedale Community Centre when the rules of that association provide that a meeting can only be convened by the board or 5 per cent of the management? Will you investigate the intervention by your department in that centre as requested by members of that centre and can you provide an assurance that the department's intervention is not simply about orchestrating a change in the committee and management that is more favourable to the ALP ahead of the election?

The CHAIR — Minister, insofar as it relates to the estimates. I am having great difficulty in relating it to the estimates.

Mr RICH-PHILLIPS — It is getting ongoing funding into the estimates.

Ms D'AMBROSIO — I am happy to answer it.

The CHAIR — I do not know whether you are actually — —

Mr RICH-PHILLIPS — It is in the budget papers.

The CHAIR — Excuse me. I am not sure it actually relates to the budget in terms of funding. I do not know whether you are funding it, but in terms of how it relates to the estimates and the ongoing programs.

Ms D'AMBROSIO — I am happy to answer it. It is not a matter that falls within my portfolio. Yes, I received some correspondence from the organisation and I am in the process of providing a response, but it is not a matter that falls within my portfolio responsibilities.

Mr RICH-PHILLIPS — You do not take responsibility?

Ms D'AMBROSIO — It is not my portfolio.

Mr RICH-PHILLIPS — It is not your grant?

Ms D'AMBROSIO — Sorry?

Mr RICH-PHILLIPS — It is not your grant, to the extent — —

Ms D'AMBROSIO — It is not my portfolio.

Mr RICH-PHILLIPS — Because the grant is not yours?

Ms D'AMBROSIO — What are you saying?

Mr RICH-PHILLIPS — Because the grant is not yours, you are saying it is not your portfolio.

Ms D'AMBROSIO — I have explained that to you. That is what I have said. It is another minister's domain. That is my understanding of the situation.

Mr RICH-PHILLIPS — Are you going to investigate the matters that have been raised with you?

Ms D'AMBROSIO — As I said to you, it is not a matter that falls within my domain as a minister. I am providing a response to the organisation accordingly.

Mr NOONAN — Minister, I want to ask you about the Transport Connections program, which featured in your handout. This might be a program which is of interest to Dr Sykes, because in reading budget paper 3, page 32, which references this program, it looks like that program will support extension into 32 local projects in rural and regional Victoria. I wonder whether you can tell us more about the Transport Connections programs and how the program is likely to use local resources to enable more people to participate in the community activities and access services that they need.

Ms D'AMBROSIO — I am very pleased to be able to talk at length about Transport Connections.

The CHAIR — Four minutes will be enough.

Ms D'AMBROSIO — Fair enough. I am very happy to talk for 4 minutes about Transport Connections. It has been an exceptionally successful program since its inception in 2006, when we invested the initial \$18.3 million. Of course since the Victorian transport plan in 2009 we have decided to commit an additional \$80 million over 10 years to continue the growth of Transport Connections.

Transport Connections is about identifying locations across rural and regional Victoria, which, as you would know, are transport poor in some ways and getting local communities to map out the transport modes that are available to them in their local community and work through their community with service providers and schools, wherever these transport options are located or whomever they are controlled by, to come up with new and innovative ways of better utilising the transport options that are available to them in their location.

That has been a very positive outcome, because what it has done in a number of locations, once the mapping exercise has been done by the local community, is identify the underutilisation of some modes of transport, which has meant that communities have been able to negotiate with service providers, schools and bus companies to increase the utilisation, if you like, by having those modes of transport available in different and innovative ways. Because that has been very successful we are continuing our funds in the forward estimates to extend the 32 projects that exist at the moment into the future, Also after 2013 I think we are looking at choosing another six locations to extend the program to.

What this will do is allow the new and innovative ideas and pilot projects — because some of these things have been trialled — to be tested more, to perhaps be varied and streamlined and to become more embedded in the way the community functions, operates and relies on the various modes of transport. That is a very positive process for us to move towards.

We are also looking at changing the strategy somewhat into the future by having a more regional approach to these locations so that the areas that get captured within the location of the Transport Connections project become broadened out. That will maximise and increase the options that are available to communities.

I think it is important to reflect on just a couple of examples of some tangible outcomes of the innovative solutions that have been identified and driven by local communities — for example, a local bus company and two taxi operators working together to trial a new route service connecting the Timboon and Cobden communities to Camperdown to access V/Line services. It is about getting to places that are important in the lives of people: accessing a V/Line train so they can get to employment, a place of study or a health service.

We need to understand what the purposes of these types of programs are. A local bus company has provided a bus and driver during off-peak times so that residents can travel between Castlemaine and Maldon on weekends. They are a couple of examples of the types of innovative solutions that communities come up with, so I am very pleased that we are rolling out further funds to be able to extend these 32 projects but also to grow them to other areas of rural and regional Victoria.

Mr RICH-PHILLIPS — Minister, I would like to ask you about grants, but before I do can I just get clarification on the Grovedale matter: which minister is responsible, if it is not you?

Ms D'AMBROSIO — Do you want to articulate what you think the problem is?

Mr RICH-PHILLIPS — The Grovedale community — you said it is not yours.

The CHAIR — You said it is not yours; which minister, do you know?

Ms D'AMBROSIO — Local government, I believe, but it is certainly not mine.

Mr RICH-PHILLIPS — The matter I want to ask you about is: since you became minister in January you have announced 40 grants worth \$10.7 million. Given that only 27 per cent of Victoria's population lives in marginal seats — that is, margins less than 6 per cent — why have you allocated 45 per cent of the grants to marginal constituencies?

The CHAIR — I think you need to relate this to the estimates. This is something which is happening this year, so do you want to reframe the question?

Mr DALLA-RIVA — What are the criteria for marginal seats?

The CHAIR — You want to talk about the criteria for allocations or in terms of the — —

Mr RICH-PHILLIPS — No, the minister has spoken about what the government has delivered in the past year, and it is appropriate to ask questions about what has been delivered.

The CHAIR — What the minister speaks about and what we are actually inquiring into is something which I will determine — —

Mr RICH-PHILLIPS — If you allow the minister to talk about — —

The CHAIR — If the minister can talk in terms of the estimates and in terms of the allocation process which she uses in terms of — what program — —

Mr NOONAN — Which grants program?

The CHAIR — The Community Support Fund grants?

Mr RICH-PHILLIPS — No, all the grants that have been announced by the minister since she became minister.

Mr NOONAN — From which programs?

Mr WELLS — That is a fair question.

The CHAIR — In terms of the grants that you have announced, what are your allocation processes going forward?

Mr NOONAN — From which programs?

Mr RICH-PHILLIPS — Everything the minister has announced.

Mr WELLS — Why is everyone so defensive? We just need some answers.

Members interjecting.

Mr RICH-PHILLIPS — There were 40 grants of \$10.7 million, 25 per cent of them into marginal seats.

Mr DALLA-RIVA — It is in the presentation; there it is there. She presented it.

Mr WELLS — We just want to know whether it is a slush fund or not and whether you use a whiteboard.

The CHAIR — Mr Wells! Ignore interjections. They are unparliamentary and — —

Ms GRALEY — Unbecoming.

Mr NOONAN — Unhelpful.

The CHAIR — That is unhelpful as well. Minister, in regard to the process you use for allocation of grants?

Ms D'AMBROSIO — I am pleased to answer this question, as I am all questions. I am not sure exactly which ones are the 40-odd that the member is referring to, but — —

Mr RICH-PHILLIPS — The ones you put out press releases on.

Ms D'AMBROSIO — I am very happy to answer the question.

Mr DALLA-RIVA — You do not remember the press releases you put out on them?

The CHAIR — Thank you, Mr Dalla-Riva; without assistance.

Ms D'AMBROSIO — There are a number of different grants programs for which I am responsible. A significant one is the Victorian Community Support Grants. That is a grants program that comes out of the Community Support Fund. The Victorian Community Support Grants program is one that is very much focused on some key areas that are guided by the principles of the CSF trust fund. As people know, it is a trust fund, and it has very general parameters, if you like, or objectives. You have a clear strategy on how funds are to be spent from that. It includes funds that need to go towards problem gambling, which has the first call on CSF.

There are also moneys that go towards Building Stronger Communities, which is one area from where some of the programs that I am responsible for emanate. The Victorian Community Support Grants program is one that has had a great level of transparency around it. I rely as a minister on the fact that allocation of the program's funds are assisted by a community advisory council which peruses applications and provides advice on them.

The funds that I am responsible for very much fit or align with the strategies that I have identified in terms of the priorities of the CSF and the programs which align therefore that I am responsible for with the broad guidelines of the CSF.

The CHAIR — Are there any other community programs, your grant programs, that Mr Rich-Phillips is alluding to, beside the CSF? Transport Connections was one, was it not?

Mr RICH-PHILLIPS — The majority of them are community support grants.

The CHAIR — Are there any other program ones you need to explain?

Ms D'AMBROSIO — For example, I was in Bunyip in February to officially open the Bunyip auditorium. Moneys also went to Korumburra for the Victorian community support grant funding for the recreation centre upgrade in Korumburra district guide and scout hall. In Rosebud West I was very happy to have attended the opening facilities at Vern Wright Reserve hall — —

The CHAIR — I think we are not dealing with the estimates any more here. Did you wish to seek — —

Ms D'AMBROSIO — I think the member was very keen to know where I have been and the funds that have been announced in the term of my — —

Mr RICH-PHILLIPS — But the majority of them are in marginal seats.

Ms D'AMBROSIO — That is your observation. I do not observe my funding program through the prism of marginal seats.

Mr RICH-PHILLIPS — It is just a coincidence.

Mr DALLA-RIVA — It is amazing.

Ms D'AMBROSIO — We are very clear — —

Mr DALLA-RIVA — That whiteboard, blackboard!

The CHAIR — Without assistance. The minister is answering.

Ms D'AMBROSIO — We have very clear guidelines that are transparent.

Mr RICH-PHILLIPS — That is not what the Auditor-General said.

Ms D'AMBROSIO — The funds and guidelines are all available on the website. The CSF and the various programs that arise from funding from the CSF are all available on the website, and they were all acquitted as per the purposes of the grant applications. Moneys are allocated where there is a demonstrable need and that fit the guidelines that accompany the grants program. It is as simple as that.

Mr RICH-PHILLIPS — Are all your grants supported by recommendations from the advisory committee?

The CHAIR — I think she has mentioned that already.

Mr RICH-PHILLIPS — She mentioned as a committee. She did not mention if all the decisions, all the grants you give — —

Ms D'AMBROSIO — All the decisions I make about funding applications are based on advice from the department and the community advisory council, which in turn is based on very clear guidelines that are set by government and strategies that are set by government. All of those funded applications align with those strategies.

Mr RICH-PHILLIPS — Do you accept the recommendations?

Ms HUPPERT — Minister, I just wanted to follow on from Mr Rich-Phillips's question, because of course the Community Support Fund plays a very important role in supporting vulnerable communities in our state. I am glad he has raised it, because it is really a thing that we need to discuss.

Mr NOONAN — Thanks for your interest, Gordon.

Ms HUPPERT — Absolutely. I understand there has been some change in the management of how the fund is managed within the department. I wonder if you could perhaps explain a bit further how that will affect the way in which funds are distributed during the forward estimates period.

Ms D'AMBROSIO — Yes, I will just take a minute to get my notes on that. The question, if I may just ask you to — —

Ms HUPPERT — Yes, it was about changes to the management of the department and the fund.

Ms D'AMBROSIO — In terms of the Community Support Fund, as you know, it has been an important fund in terms of achieving public policy goals to support and strengthen communities across the state. That has been very important to us and to myself, and certainly I am very keen to ensure that it becomes a much more accessible into the future. We have managed through a series of reforms to increase the accessibility of the grants that come out of the Victorian Community Support Fund, for example. Grants reform and grants management are very important not just for the investment that is made available but for how they are accessed and by whom they are accessed right across Victoria. Accessibility is very important for us.

We have undertaken a range of initiatives to improve the grant management practice. For example, to make the application process easier for the community we have come up with a common format for publicised program guidelines and forms. We have a simple electronic entry point via the website. The DPCD website provides a single electronic public entry point for all the grants under the department. That has actually led to an increase in the number of online applications that have been made. That is a very pleasing outcome. We also have the grants telephone information line, which is operated through Information Victoria, which provides another way of the community being able to access applications or information about applications. All of the grants are very well publicised.

We also of course are very keen as a department to ensure the way our regional teams operate. You will know and appreciate that we have regional teams that are located right across Victoria. They are very much equipped and conduct themselves in ways that can facilitate and provide more strategic advice to the community at large to be able to access grants and think about more flexible ways of accessing and combining grants and investments that they may require or identify a need for in their local community.

We are also very keen to have a flexible way of combining or joining up grants so that the bulk of an investment can actually leverage greater outcomes for a community. I will, by way of example, talk about a particular group in four communities. Actually it was community cinemas that decided to come together to apply for the volunteer small grants, which is up to \$5000 that can be used to train or recruit new volunteers. The way that this unfolded, if you like, is that four community organisations, community cinemas, actually came together to decide to combine their funding applications so that they could leverage better training opportunities for them to be able to recruit and train volunteers to run their community cinemas. Those community cinemas are very important community assets. I was pleased to travel to Bendigo about a month or two ago to announce that combined grouping of grants. Those grants affected not just Eaglehawk but I think there was one for Ouyen and Robinvale, and there was one other one which will not come to mind just yet, but there was a fourth one.

We also recently announced a new single funding agreement for local governments, and I was pleased to have announced that at the recent annual local government ministerial forum. This makes it easier for councils to manage grants that they receive from the Department of Planning and Community Development. We cannot overstate the importance of the single funding agreement for local governments. Councils will have one agreement that sets out the terms and conditions of funding, and underneath that will sit single funding agreements that will be, if you like, templates for individual grant moneys that are received by them.

That will actually cut back a lot of the red tape and a lot of administrative and legal costs associated with having to check every new grant application or grant proposal and agreement for funding that comes before them. This has been very well received. The MAV has signed off on that. I am very keen to see that that will start to roll out to some individual councils first and then move on to all of the others. That was certainly very well received at the time of the announcement. They are just some of the reforms that we have introduced, and we will continue to roll out reforms to make all of these grants programs accessible to all of the community, and certainly to make them easier to navigate, if you like.

Ms PENNICUIK — Minister, I note that strong community organisations is one of your priorities. Neighbourhood houses get their funding from the DPCD, and that funding is meant to serve as a base, as I understand it, and funding can be sought from a range of different programs, such as adult community education and home community care et cetera. The Neighbourhood Renewal projects are about department of housing funding and staff for disadvantaged suburbs to create community development projects and upgrade infrastructure, but neighbourhood houses often become the centre for those projects, even though they are not included in the neighbourhood renewal funding.

From our conversations with people in the sector, there is a concern that, despite some positive outcomes in the neighbourhood renewal projects, the funding for a lot of them is going to end this year and there is not much in terms of transitional arrangements, especially resourcing for those arrangements. There is a patchy relationship between neighbourhood houses and neighbourhood renewal.

My question is: how is the department handling this transition? The other concern is about the community governance model, where for the neighbourhood houses that is a criterion for their funding. I want to know how the department is supporting that in terms of the neighbourhood house organisations where people are struggling to necessarily maintain that community governance model. I hope you understand where I am coming from?

The CHAIR — There seems to be a number of questions there.

Ms PENNICUIK — They are all related.

Ms D'AMBROSIO — If I may just describe the question, if you do not mind, I think it is really about how my portfolio area, including the Office for the Community Sector, can assist the not-for-profit sector, including neighbourhood houses, to be able to really remain resilient and be able to be sustained into the future.

Ms PENNICUIK — That is right. Another thing that has been raised with us, Minister, is that there was an increase in funding last year, and there was a bit of confusion about the criteria. I think Mr Rich-Phillips was maybe touching on that in his question. It was about some groups being sort of surprised that they got funding and others thought they were doing good work and could not get any.

Ms D'AMBROSIO — You would appreciate that I really cannot comment on that area because it is the realm of another minister. But in terms of providing — —

Mr RICH-PHILLIPS — Like most of your presentation.

Ms D'AMBROSIO — Sorry?

Mr RICH-PHILLIPS — Like most of your presentation.

Ms D'AMBROSIO — Incredible.

Ms PENNICUIK — Minister, I think because there is a meshing between the projects, it does make it difficult.

Ms D'AMBROSIO — I suppose if you look at it in terms of a holistic way of being able to respond to some of the challenges and needs that particular neighbourhood houses, as in the case that you have mentioned, may identify in terms of issues for themselves, our regional teams — our local teams through the department — are very adept at being able to have the conversations with the not-for-profit sector, in this case, to identify ways of being able to perhaps access funds that could assist them, either, for example, in training opportunities or being able to leverage funds from a variety of different sources.

Our local teams can often act as brokers and have been very good at being able to do that and are a very important localised entry point for conversations with government and across governments. Our local teams are quite adept at doing that and will continue to do that.

Ms PENNICUIK — I suppose what I am getting at, too, is that with the neighbourhood renewal project funding disappearing and that sort of holding up some of the neighbourhood houses, how is your department addressing that?

Ms D'AMBROSIO — I suppose my quick observation is that I am not sure that neighbourhood renewal funds prop up neighbourhood houses. It is very much a collaborative arrangement. Community renewal, which is the program in my portfolio, is about drawing collaborative arrangements and relationships across various agencies and localities, so one is not really supposed to be about propping up the other. I go back to my earlier point of the local teams being very adept at being able to draw links into the rest of government and across governments for any opportunities for ongoing support or assistance.

Ms PENNICUIK — So therefore neighbourhood houses can be referred to those local teams if they are struggling?

Ms D'AMBROSIO — Yes, absolutely, and I encourage them to do that.

Mr SCOTT — Budget paper 3 on page 338 refers to the Corio-Norlane project. What is the government doing to support disadvantaged communities in urban location initiatives like this?

The CHAIR — Insofar as it relates to the estimates please, Minister.

Ms D'AMBROSIO — Thank you for your question, Robin. You referred to an item on page 338 about the Geelong-Corio-Norlane urban regeneration project. I am very pleased to talk about this because it really does accentuate the comments I made earlier about entrenched disadvantage needing sustained and robust investment over a period of time to actually make significant change.

Corio-Norlane is one community that the government has decided to take a fairly long-term strategic approach to, to address a number of issues, including education, health and employment opportunities through general principles of social inclusion and how we can change, if you like, the problems of disadvantage that exist in that particular area. This arises out of a neighbourhood renewal project that was run in that area for some time. This regeneration policy is to grow from the learnings of that program, but also to grow it in a much more holistic and longer term way.

What is very important in terms of that is, again as I said, to take a long-term vision and to rebuild the community in terms of its opportunities and to enhance transport infrastructure. In this instance, in terms of this budget item going forward, it is really a first stage of that broader 15-year vision. It is one stage which will, in this case, deal specifically with issues to do with transport infrastructure, enhancing that, addressing public safety and improving access to employment and housing and improving lifestyle for families and the community. Again, it is about having a staged approach, a long-term strategy to deal with a lot of the charges that are in this particular area of Geelong.

The funding is about \$2.2 million over four years. It will certainly provide us with an opportunity to plan for the further stages of regeneration of this very important but very much disadvantaged part of Victoria.

Mr RICH-PHILLIPS — Minister, I would like to take you to the guidelines for the Community Support Fund. The Auditor-General in his report on the CSF last November highlighted the need for updated guidelines, and indicated:

The guidelines need to provide clarity for administering agencies in such areas as whether:

it is appropriate to direct CSF moneys to programs traditionally funded from the Consolidated Fund, and under what circumstances given that gambling revenues are directed to the CSF for a specific purpose.

This is a matter that the Select Committee on Gaming Licensing commented on unfavourably as well, the direction of CSF funds to traditionally Consolidated Fund programs. Can you explain to the committee what the guidelines now say with respect to directing CSF moneys to areas that were traditionally funded by the Consolidated Fund?

Ms D'AMBROSIO — You are talking about the Community Support Fund, or the Victorian Community Support Grants?

Mr RICH-PHILLIPS — The Community Support Fund.

Ms D'AMBROSIO — I am very clear in the view that the Community Support Fund is not about substituting matters that would otherwise be funded from appropriations. That is what it is.

Mr RICH-PHILLIPS — Is that now spelt out in guidelines? Is that actually in written guidelines now?

Ms D'AMBROSIO — I will have to have a look at the guidelines. I do not have them right in front of me.

Mr RICH-PHILLIPS — It was not when the report was done.

Ms D'AMBROSIO — I do not have them in front of me, but what I can say to you is that in the government review of 2008 in terms of the CSF, we have moved very strategically and in a timely way. A sound grants management framework is very much in place and we allocate funding in accordance with relevant program guidelines, the Gambling Regulation Act of 2003 and good practice. We are very keen, and we have always been very keen, to ensure that the CSF is managed according to very clear guidelines. It is not about duplicating core ongoing service delivery activity of government; that is something it is not about. What it is not about, of course, is propping up commercial activities or indeed religious or political organisations, unless the particular funding proposal is not of that kind. We are very confident in that.

The Auditor-General's report, as I think you referred to earlier, made a number of recommendations and also found that all the applications that were funded were funded and have been spent according to the purposes of the funding application that they were intended for in the first place. So I am very confident that the guidelines are very sound and align with the broad parameters of the CSF and the government's priority areas.

Mr RICH-PHILLIPS — Can I just clarify? Have new guidelines been put in place since the Auditor-General's report?

Ms D'AMBROSIO — Yes, they have.

Ms GRALEY — Minister, on Friday night I spent my time at the Casey volunteer awards. It was a fantastic occasion where local people were recognised for their incredible contribution to the local community. The amount of time and effort that some people put in to their local community is really quite extraordinary, and the winners certainly deserve their awards.

I would like to refer you to DPCD's output statement appearing in budget paper 3 at page 173, which refers to the implementation of Victoria's volunteering strategy. I would like you if you could to outline to the committee the purpose of this strategy?

Ms D'AMBROSIO — Thank you very much, Judith. The volunteering strategy, as you know, was announced last year. It is a direct response to a lot of the challenges that are facing community organisations across Victoria in terms of not just retaining the volunteers they rely on but also training them and recruiting new volunteers. We did a study that looked at the nature of volunteering. It showed us that volunteering has actually changed. Attitudes towards it are still very much set in an earlier period and younger people especially think volunteering is for somebody else or is associated with the more traditional forms of volunteering.

Certainly the fact is that a number of community organisations out there are struggling because people are very time poor. That is really forcing community organisations to address the challenges that that presents to them, including needing to have a training regime in place. If people have only been able to come into volunteering for sporadic periods of time or very finite periods of time, then the question of training is a constant one, and recruitment is a constant one. We are very keen to make sure that we can equip the not-for-profit sector, the community organisations, to help them meet those challenges. Part of our strategy of course is to build on top of the volunteer small grants programs that we have been running now for some time with a more robust strategy. There is \$9.3 million, which we are now rolling out. We have a major awareness and recruitment campaign which is really just starting to get off the ground in terms of advertising through print, TV and cinemas, and it is targeted of course to younger people. We also have an online single-entry access point for volunteering through a website which has just gone live. That provides a matching service for people to be able to come in and look at where they can actually volunteer their time.

The establishment of the Premier's community volunteering awards is a really important public recognition of the terrific work that our volunteers do in the community. That is really about not just thanking them — that it is important as it is — but also using that as an opportunity to promote volunteering in the community. I know that the Premier's recent volunteering awards presentation was met very well by local communities, as evidenced through local newspapers promoting the winners of those awards.

We also have a series of grants programs that will be announced as part of that strategy as we go on through this year. I think I mentioned the 'I can do that' awareness-raising campaign that is being rolled out. There will be a second stage of that awareness-raising campaign later in the year; and there will be a second stage of the website, the single-entry point for volunteering, which will provide a more interactive experience for not just people seeking to volunteer but also the community organisations which are wanting to share their experience

of volunteering, training and resource management, if you like. That will be a first in Australia in terms of that interactive facet of the website.

The CHAIR — Thank you for that.

Mr RICH-PHILLIPS — Minister, I would like to ask you about the financial reporting of the Community Support Fund. Firstly, I ask what you expect the closing balance of the CSF to be at the end of this financial year. Secondly, with respect to the table on page 12 of the Auditor-General's report, the summary table of inflows and outflows, which is the best summary of the CSF we have had, are you able to provide — obviously on notice — an update of that table for the 2008–09 and 2009–10 financial years, laid out the same as the Auditor-General has in his report?

Ms D'AMBROSIO — I do not have the Auditor-General's report in front of me. You asked the question, I think, what the closing balance will be for this coming financial year.

Mr RICH-PHILLIPS — Yes, for this year.

Ms D'AMBROSIO — I will just have a look at my notes and see what I can tell you on that front. The closing balance is estimated to be just over \$57 million — \$57.3 million.

The CHAIR — That carries forward into the estimates period.

Ms D'AMBROSIO — Yes.

Mr RICH-PHILLIPS — That is substantially higher than previously estimated. Is that due to extra revenue or lower allocations?

Ms D'AMBROSIO — I do not think it is the case at all. It is less than the previous financial year's closing balance.

Mr RICH-PHILLIPS — Based on the figures the Auditor-General got from you, you were looking at a closing balance of \$46.2 million.

Ms D'AMBROSIO — For which year?

Mr RICH-PHILLIPS — For 2009–10 — 30 June 2010.

Ms D'AMBROSIO — Sorry, the figure you are referring to — what is the figure, and what is the financial year?

Mr RICH-PHILLIPS — The figure is \$46.2 million and the year is 2009–10.

Ms D'AMBROSIO — It is for 2009–10?

The CHAIR — That was some time ago; we will take the up-to-date figures.

Ms D'AMBROSIO — These are up-to-date, revised figures, so I am saying to you that it is \$57.3 million for the end of June 2010.

Mr RICH-PHILLIPS — Perhaps on notice the department can reconcile the difference between the audit figures and the department figures.

The CHAIR — I am not sure that is appropriate. If you wish to put that on notice — —

Mr WELLS — Yes, it is. The department gave the Auditor-General those figures.

Ms D'AMBROSIO — I am happy to — —

The CHAIR — I do not think that is relevant to our particular inquiry, but you are welcome to put that on notice in the Council.

Mr WELLS — It is the opening balance for the forward estimates.

Mr RICH-PHILLIPS — The other part of the question was whether you could take on notice an update of this table with the flows in and out of the CSF for the current year and the missing year.

Ms D'AMBROSIO — You want an update of that table?

Mr RICH-PHILLIPS — An update of table B2 on page 12. You can do that on notice.

Ms D'AMBROSIO — We will have a look at that. The Community Support Fund and its expenditure is all on the website. If you want to have a look at the website — —

Mr RICH-PHILLIPS — Some data is on the website.

Ms D'AMBROSIO — My understanding is that there is sufficient information on the website.

Mr DALLA-RIVA — Maybe with your busy schedule you can actually do some.

The CHAIR — Insofar as the last request, insofar as you can provide the information on notice, we would appreciate that.

Ms D'AMBROSIO — We will have a look at that, yes.

The CHAIR — But the previous one I do not think is relevant.

Mr DALLA-RIVA — Very busy!

The CHAIR — You can put it on notice in the upper house.

Mr NOONAN — Minister, can I pose a question about bushfire recovery?

Ms D'AMBROSIO — Yes.

Mr NOONAN — There is a fairly extensive table on page 281 of budget paper 3, which refers to the government's overall plan for bushfire reconstruction and recovery. I just wonder as part of the forward estimates whether you can explain how the community development portfolio is helping those bushfire-affected communities to recover.

Ms D'AMBROSIO — As you know, the bushfires of early last year certainly tested the whole of the community, and certainly the whole of the community did its best to try to deal with the immediate aftermath of it, and the community, including the government, is working to maintain a level of support and assistance in the recovery phase and sustaining a measure of growing the self-reliance of those affected communities so they are able to support themselves into the future.

The community development portfolio, in terms of our ongoing support, was the secretariat for the Community Recovery Fund, which was a fund that provided investment in community facilities, and continued activities by regional teams is very important. That fund of \$10 million was a combined state and federal fund. The moneys were spent essentially according to the following: about \$3 million was spent for community sport and recreation clubs to assist with reconstruction and replacing facilities that were destroyed; \$2.5 million was to create community memorials and hold commemorative events; \$1.75 million for community development officers; and \$2.75 million for community grants and local community projects.

Further to that, in April this year in terms of my portfolio I approved, if you like, \$800 000 for the community development officers and extension of the availability of those officers to the communities that were most affected by the bushfires. That was very much in direct response to the local governments that basically said, 'Look, we desperately need the community development officers to continue functioning to assist our communities in the longer sustained effort of recovering from the bushfires'. I was pleased that the Premier was able to announce that. So we will see over the next 12 months a continuation of the community development officers.

We were also provided additional funds. For example, it was a very big issue for the Marysville community, where the Premier also announced some funds out of some money for which I was responsible for much-needed drainage work in the town centre of Marysville. Without that a lot of other infrastructure

initiatives and capital investment was very much at risk because of, believe it or not, the problems to do with drainage and flood-prone areas of that activity centre. They were very important strategic funds, which will be rolled out and implemented as soon as possible.

The CHAIR — Thank you, Minister. That concludes the consideration of the budget estimates for the portfolio of community development. I thank the minister and departmental officers for their attendance. Where questions were taken on notice the committee will follow up with you in writing at a later date. The committee requests that written responses to those matters be provided within 30 days.

Witnesses withdrew.