

Senate Community Affairs Committee
ANSWERS TO ESTIMATES QUESTIONS ON NOTICE
FAMILIES, HOUSING, COMMUNITY SERVICES AND
INDIGENOUS AFFAIRS PORTFOLIO
2012-13 Budget Estimates Hearings

Outcome Number: 3

Question No: 324

Topic: Community Connections Victoria

Hansard Page: Written

Senator McKenzie asked:

In July last year, FaHCSIA renewed a \$1.3m annual contract with Community Connections Victoria to deliver services in Western Victoria.

By November 2011, the organisation had lost state government contracts in the face of claims of alleged funding mismanagement (End news for Community Connections, Warrnambool Standard 23/5/12).

Now the organisation is being wound up (Decision soon on new family welfare services agency, Warrnambool Standard 28/5/12).

Did FaHSCIA have any concerns about practices at Community Connections Victoria when they renewed their contract in 2011?

Were there any changes to Community Connections Victoria's practice included as part of the conditions in the contract?

When did the department first become aware of the issues surrounding Community Connections Victoria?

Did they conduct any of their own investigations into the organisation?

Were the department aware of the concerns of Community Connections Victoria's other funding providers?

Were they aware more recently that other funding providers had removed their support for Community Connections Victoria?

What are the department's processes for dealing with cases such as this?

With CCV winding up, will there be a tender process to decide on an alternate deliverer of these types of services?

Answer:

In June 2011, when the Department renewed its funding agreement with Community Connections Victoria Ltd, the organisation had met all reporting milestones under its previous funding agreement and had been assessed as fully compliant against the Family Relationship Services Approval Requirements.

As such, there were no special conditions included as part of the funding agreement signed in June 2011.

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The Department was made aware of an allegation of unfair dismissal involving Community Connections Victoria in July 2010, which was unrelated to the delivery of their Commonwealth Family Support Program funded programs. Between August and October 2010, a number of allegations in relation to workplace matters were raised with the Department.

These allegations were assessed by the Department's compliance process.

None of the matters related to staff engaged to deliver FaHCSIA funded programs and, as they were industrial matters and before the courts, the Department advised the complainants that FaHCSIA could not investigate or otherwise intervene in the disputes.

Between May 2011 and September 2011, the Department was advised about Victorian Government agencies' investigations into Community Connections Victoria's state-funded services, which resulted in funding for residential care services, Gambler's Help services and community legal services being terminated between September 2011 and April 2012.

As part of the ongoing monitoring of Commonwealth programs delivered at Community Connections Victoria, FaHCSIA staff were in regular communication with other funders, including the Department of Human Services (Victoria), Barwon South West Regional Office, Department of Justice and Victoria Legal Aid.

Although FaHCSIA was aware of the issues being considered by these Victorian Government agencies, these issues did not relate to FaHCSIA-funded programs.

FaHCSIA increased its monitoring of the Commonwealth funding agreements with Community Connections from July 2011. This included more frequent service visits and meetings with the CEO and staff in the funded programs.

From this monitoring, FaHCSIA determined that Community Connections was not in breach of its FaHCSIA funding agreement. All milestone reports and service deliverables for 2011-12 have been delivered, assessed and accepted.

FaHCSIA sought and received additional financial reports from December 2011 from Community Connections in order to assure itself of the continued financial viability of the organisation to support the effective delivery of the FaHCSIA programs.

Community Connections Victoria advised FaHCSIA in January 2012 that it was seeking to merge with Children Australia Inc, trading as OzChild. Community Connections would be wound up as part of the merger.

FaHCSIA's Terms and Conditions of funding allow for such mergers to occur, subject to the new or changed legal entity being assessed as a suitable provider to deliver the services funded through the original provider.

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OzChild were assessed as suitable and is being funded to deliver the services previously delivered by Community Connections Victoria from 13 June 2012.