

# Submission to Inquiry into Auditor-General Performance Report: Safer Families Levy

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Standing Committee on Public Accounts and Administration

By email: <u>LACommitteePAA@parliament.act.gov.au</u>

To the Standing Committee on Public Accounts and Administration,

# RE: Inquiry into Auditor-General Performance Audit Reports 10/2024: Safer Families Levy

Domestic Violence Crisis Service (DVCS) appreciates the opportunity to provide feedback on the Auditor-General's report on the Safer Families Levy.

The Safer Families Levy has supported DVCS to provide crucial services to the community, including hotel crisis accommodation for women and children experiencing violence and trauma-informed support for victim-survivors of family violence offences progressing through the criminal justice system.

We have consistently advocated for the ACT Government to improve their management of the levy, and the Auditor-General's report confirmed more needs to be done. DVCS still identifies factors that hinder the levy from delivering on its intended purpose and meeting the expectations of the community that funds it. As always, we welcome the opportunity to discuss our comments further with the committee.

### Decision-making and governance of the levy needs more transparency

Generally, we think the decision-making process for levy distribution is opaque. The most recent budget made some welcome changes to how final allocations and descriptions of levy funded programs are publicly communicated by laying out this information clearly.

However, we still believe the processes for *how* levy decisions are finalised have never been communicated as transparently as they should be. Sector stakeholders, including DVCS, are not privy to the Cabinet priorities and thought process that informs decisions about the levy. Similarly, we anticipate the Canberra public funding the levy would appreciate the insight into how allocation and utilisation decisions are made.

Forums for advising on the territory's DFSV response are also disappearing, meaning the ACT Government is receiving less community input and stakeholders have fewer avenues to hold the government to account. The

Domestic Violence Prevention Council (DVPC) brought together stakeholders from the community sector, people with lived experience, First Nations representation, police and the Victim of Crime Commissioner for the provision of strategic advice to the minister. The DVPC was placed into hibernation at the caretaker period of the last election, and the ACT Government has kept meetings on pause. It has been nearly a year since then. The consultation facilitated by the DVPC – even in a reformed fashion – could only be thought of as a positive development. It meant DVCS and other stakeholders could assist government in refining their focus, sense-checking policy and providing insights from the ground. Without this, the sector can only formally engage with government through the ACT Public Service. We believe the DFV response in the territory, including the administration of the levy, suffers in the absence of these forums and the provision of expertise.

The Auditor-General's report concluded the management of the levy was being hindered by an incomplete understanding of what is needed in the territory. Frontline non-government services must have sufficient opportunity to articulate expertise into practical advice for change, and DVCS would like to see forums like the DVPC urgently reformed and re-established in service of that.

## The levy should be used to support the sustainability of frontline services

We believe there could also be more clarity around how sustainability and demand is factored in to levy consideration. DVCS has made clear that particularly given the trend of growing demand, the funding for our programs is unsustainable. The independent review into DVCS in 2024 attested we are facing a limiting operational environment, as the provision of our existing services has become more costly while revenue has remained static. We have stated we appreciate the modest uplift to our core allocation from the most recent budget, but it will only mean DVCS can avoid a significant operating deficit while maintaining current service levels. The absence of a meaningful uplift to address community need means DVCS continues to navigate impossible financial constraints, whilst knowing we cannot immediately support every member of our community under the funding status quo. This also limits our capacity to innovate and build service delivery as so much of our resources are utilised in advocating for our baseline service operations.

At this stage, it is not clear to us how such information about service sustainability and demand affects levy distribution year-to-year. DVCS has numerous programs either offset or entirely funded by the levy. The purposes of the levy indicate it's designed to fund critical frontline delivery and enhance the government DFSV response. While we don't question whether that remains the

intention, we sincerely don't know if information we've conveyed about the unsustainability of our services has had any impact on our levy distribution.

There is also an inequity in the kind of information DVCS, as a non-government frontline service, can put forward in attempts to inform our levy allocation. While the current arrangements enable frontline providers within the government sector to develop business cases and participate in closed door government discussions, services that operate outside of government are limited to only providing feedback during the annual budget process.

Programs dependent on levy funding are also subject to acute uncertainty that we believe is contrary to the levy's original intention. We have been advised that even when funding is allocated in the budget over multiple years, we can only be provided with levy funding for one year at a time. We find this especially concerning when it applies to established programs that are relied on by community members experiencing DFV. It means crucial service providers are constantly dedicating resources to red tape, contract negotiations and fighting for their future. Frontline services risk losing highly skilled staff to more secure positions with multi-year funding arrangements, or to the ACT Public Service amidst the rapid expansion of government-provided DFV services – both providing better conditions organisations like ours simply cannot compete with.

For example, DVCS has two staff members co-located with Children, Youth and Families whose positions are funded by the levy. These staff members provide specialist DFV expertise, and their presence in Children, Youth and Families has assisted in upskilling the capability of both teams and information sharing about families experiencing family violence. Attesting to the value of the co-location programs, these roles have been continually in place for nearly a decade. Throughout that time, the contracts for the co-location positions have only been offered for one to two years at a time, with no clear view of transitioning them into consolidated revenue on a more secure basis. This is despite the long-term history of the program and the fact that the co-location roles have been allocated for across the forward estimates to 2028. The transition to consolidated revenue would support the certainty of a program that the government has clearly deemed to have an important place in the territory's DFSV response, but that pipeline remains unknown to us while the ongoing need is glaringly obvious.

It is our understanding that the levy is not supposed to fully fund select programs indefinitely, and that there should be a process whereby programs are eventually considered for longer funding cycles within the territory's consolidated revenue. It is reasonable that there should be a pipeline to transition dependent programs away from levy funding. The levy was only ever meant to exist as a partial, non-

critical offset to the territory's total DFSV investment. It is also ideal for agencies to know if they could eventually receive more secure funding, as allocations to levy-funded programs need to be reviewed annually.

### The levy should meet community expectations

The ACT public have all made a commitment to funding DFSV responses through the levy, and they are entitled to expect high-quality, timely services in return. While there have been changes since the Auditor-General's report to allocate the bulk of the levy to frontline services, calls for assistance to DVCS still far outstrip our resources. We know the current funding allocated to key services is far short of what is necessary to help every member of the community when they need it. We urge strong consideration to be given to how the levy can support a funding model in line with what the community would expect.

DVCS is the primary provider of specialist domestic and family violence services in our region, and the only specialists available 24/7. We are known and trusted by the many people in the community and fellow agencies who have sought our assistance over the decades. Despite that, DVCS is only able to immediately answer around half of the calls made to our crisis line. As we outlined in our 2025-26 budget submission, demand for some programs has increased by as much as 47% in the last eight years. People experiencing violence are not always in a safe position to await a follow-up from our staff if their phone call is not immediately answered. DVCS constantly triages calls to our crisis line and responds first to those people at the highest risk. However, the shortage of resources means some people will be waiting for assistance for days.

We would expect this level of service delivery to be disappointing to the Canberra community. Due in part to annual incremental increases, it is expected that ACT ratepayers will raise \$54 million for the levy over the four years to 2028-29. While those contributions are meant to support services Canberrans can call on, it unfortunately hasn't guaranteed such services could reach them in crisis. DVCS is not unique in our eagerness to respond and provide services to everyone who reaches out for assistance. Our colleagues in the sector delivering high-quality, much-needed services similarly feel the weight of knowing it is currently extremely difficult to do so. We suggest careful consideration and intentional governance reform goes into ensuring the direct contribution of Canberrans through the levy is properly valued, by ensuring service delivery reflects community demand.

DVCS is available should there be any questions regarding our feedback. Please do not hesitate to contact us.