



**MEDIA RELEASE**

**6 May 2009**

### **Little relief for Victorians facing addiction in tough times**

The 2009/10 state budget offers little to Victorians with alcohol and drug problems and the services that support them. 'It is disappointing to see a budget that is largely silent on investment in AOD services when, at the same time, the government promotes its commitment to building a strong social safety net for vulnerable Victorians' VAADA EO, Sam Biondo said in response to the budget announcements. 'Surely AOD services are a critical part of a safety net for the Victorian community'.

'Investment now would boost the capacity of AOD services to support vulnerable Victorians and their families through these difficult financial times.' The 2009/10 Budget provides \$103.4 million for drug treatment and rehabilitation, which amounts to an overall funding decrease of 1.6% when adjusted for inflation and population growth estimates. Drug prevention and control strategies fared better receiving an overall increase of 3.36% with the \$24.1 million budget allocation.

'We welcome the increased price indexation for community sector services to 3.14% for three years and the recent funding provided to VAADA to assist the sector with the implementation of the AOD Blueprint. Yet many AOD services still face significant challenges in subsidising their programs and services and meeting demand. Broader issues related to unit costing, workforce development and sector capacity building remain' Mr Biondo said.

Also welcome is the Brumby Government's ongoing commitment to addressing alcohol-related harm through initiatives such as the Victorian Alcohol Action Plan. However, the effectiveness of community awareness and education initiatives will be limited if we don't also invest appropriately in treatment, harm reduction and other services to support the community to address alcohol issues.

'Similarly, we cannot afford to take our eye off the ball with illicit drugs' Mr Biondo said.

Analysis of real spending increases, adjusted for inflation and population growth is:

<b>DEPARTMENTAL OUTPUT AREA</b>	2008/09 Target	2009/10 Target	Real effective change <sup>1</sup>
<b>Drug Services</b>	123.9m	127.5m	-0.7%
Drug prevention and control	22.5m	24.1m	3.36%
Drug treatment and rehabilitation	101.4m	103.4m	-1.6%

<sup>1</sup> These figures have been adjusted for inflation and population growth and have been calculated by the Victorian Council of Social Services (VCOSS).

## **DEPARTMENT OF HUMAN SERVICES**

### **Departmental mission statement**

To enhance and protect the health and wellbeing of all Victorians, emphasising vulnerable groups and those most in need.

### **Significant challenges facing the Department in the medium term**

The bushfires of February 2009 have had a profound impact on many communities and individuals. During 2009-10, the Department of Human Services (DHS) will play a critical role in supporting these communities and individuals.

The provision of a case management service will assist in supporting people affected by the fires to rebuild their lives. DHS will also facilitate the provision of short and medium term accommodation and psychosocial support. DHS will continue to support the Victorian Bushfire Appeal Fund in the distribution of assistance to those affected by the fires.

While providing individual support is a priority in the recovery effort, another important element is providing assistance to help communities to recover. To support community recovery DHS will provide coordination, support and professional development to the Community Development Officers who are employed by many local government authorities.

To support this range of activity and services provided by other agencies, DHS has established Community Service Hubs in ten of the affected communities. The hubs will form a focal point and a point of access for the range of services.

A Bushfire Recovery Service Delivery Unit has been established to coordinate DHS activities and work closely with the Victorian Reconstruction and Recovery Authority which has responsibility for coordinating efforts across Victoria.

The Department plans, funds and delivers health, community, mental health and housing services in support of the Government's vision for making Victoria a better place to live and raise a family. Other challenges identified by the Department to ensure access, quality and sustainability of Victoria's human services in the medium term include:

#### **Managing demand for services**

- aligning service capacity with service demand;
- responding to increasing complexity of client need; and
- ensuring access to appropriate service types.

### **Acting sooner and more effectively**

- shifting the focus towards effective prevention and early intervention; and
- delivering services around person and place.

### **Addressing emerging health and social issues**

- improving the care and early detection of chronic disease; and
- preventing obesity.

### **Addressing disadvantage**

- improving access to universal services;
- strengthening assistance to disadvantaged groups; and
- breaking down concentrations of disadvantage.

### **Improving sustainability and productivity**

- improving service productivity;
- developing a skilled and flexible workforce; and
- using progress in technology and knowledge.

### **Major policy decisions and directions**

The Department has six objectives to guide responses to these challenges and to address the goals set out in *Growing Victoria Together* and *A Fairer Victoria*. The Department's objectives are:

- building sustainable, well managed and efficient human services;
- providing timely and accessible human services;
- improving human service safety and quality;
- promoting least intrusive and earliest effective care;
- strengthening the capacity of individuals, families and communities; and
- reducing inequalities through improving health and wellbeing, particularly for disadvantaged people and communities.

### **Ministerial portfolios**

The Department supports the ministerial portfolios of Health, Mental Health, Community Services, Senior Victorians, and Housing.

## Changes to the output structure

The Department has made changes to its output structure in 2009-10 as shown in the table below.

2009-10 Outputs	Reason	2008-09 Outputs
Specialist Support and Placement Services	Restructure	Child Protection Specialist Services Placement and Support Services
Concessions to Pensioners and Beneficiaries	Restructure	Energy, Water and Municipal Rates Concessions Social and Community Services

The Department's output structure has been altered to align with the strategic directions and priorities of the Government and the Department. The merging of the two outputs, *Child Protection Specialist Services* and *Placement and Support Services* emphasises the continuity and integration of child protection and out of home care placement system. Similarly, the outputs, *Energy, Water and Municipal Rates Concessions* and *Social and Community Services* are clustered into a single output under *Concessions to Pensioners and Beneficiaries* to provide a unified response on concessions to vulnerable households.

Discontinued outputs and performance measures are detailed in Appendix C of this budget paper.

The following table summarises the total output cost. It has been prepared on the basis of the Department's 2009-10 output structure and therefore allocations may differ from the Department's previously published budget.

**Table 3.2: Output Summary**

	(\$ million)			Variation <sup>(a)/(b)</sup>
	2008-09 Budget	2008-09 Revised	2009-10 Budget	%
Acute Health Services	7 015.7	7 081.8	7 602.0	8.4
Ambulance Services	494.4	518.8	529.1	7.0
Mental Health	883.8	889.3	945.0	6.9
Aged and Home Care	915.5	922.4	974.3	6.4
Primary and Dental Health <sup>(c)</sup>	330.3	368.6	418.2	26.6
Small Rural Services	442.9	439.7	452.6	2.2
Public Health <sup>(d)</sup>	280.7	310.9	265.6	-5.4
Drug Services	123.9	128.8	127.5	2.9
Disability Services	1 175.5	1 228.7	1 287.9	9.6
Child Protection and Family Services <sup>(e)</sup>	520.2	553.9	583.0	12.1
Youth Services and Youth Justice <sup>(f)</sup>	105.1	105.8	104.8	-0.3
Concessions to Pensioners and Beneficiaries <sup>(g)</sup>	446.7	429.6	463.4	3.7
Housing Assistance <sup>(h)</sup>	367.0	470.2	969.7	164.2
<b>Total <sup>(i)</sup></b>	<b>13 101.7</b>	<b>13 448.5</b>	<b>14 723.1</b>	<b>12.4</b>

Source: Department of Human Services.

Notes:

- (a) Variation between 2008-09 Budget and 2009-10 Budget.
- (b) Increases in the Department of Human Services' 2009-10 Budget compared with the 2008-09 Budget are due primarily to:
- funding provided for government policy commitments including the full-year effect of initiative funding announced in previous years budgets;
  - output price increases arising from Australian Industrial Relations Commission decisions and enterprise bargaining agreements and the outcome from an output price review;
  - indexation funding provided for anticipated cost increases in 2009-10;
  - output price increases for depreciation, amortisation and capital asset charge costs associated with the approved asset investment program for 2009-10;
  - increased Commonwealth funding due to the expansion of a number of programs; and
  - increases in income from the sale of goods and services, particularly for Public Hospital and Ambulance services.
- (c) The 2009-10 Budget includes additional funding for the Victorian Bushfire Case Management Service, Commonwealth Closing the Gap in Indigenous Health, Indexation and enterprise bargaining agreement outcomes.
- (d) The 2009-10 Budget includes a reduction of fixed term vaccine funding, additional funding for Indigenous Early Childhood Development, Public Health Governance and Regulatory Reform, 'Victoria's Cancer Action Plan', Indexation and enterprise bargaining agreement outcomes.
- (e) The 2009-10 Budget reflects additional funding for new initiatives.
- (f) 2009-10 Budget reflects the cessation of fixed-term funds provided in 2008-09.
- (g) The output summary includes funding for transport concessions transferred to the Department of Transport. This funding is reflected in the Department of Transport's Public Transport Services outputs.
- (h) The 2009-10 Budget reflects an increase in Commonwealth funding for the Nation Building National Partnership for Repairs and Maintenance and New Construction, Remote Indigenous Housing National Partnership Agreement, Social Housing National Partnership Agreement, 'A Place To Call Home' initiative and for the Homelessness National Partnership Agreement. Additional funding was also provided in 2009-10 for the 'Building on Success on Neighbourhood Renewal' initiatives.
- (i) Total output expense may not equate to the total expense reported in Budget Paper No. 4, Chapter 3, Departmental Financial Statements due to additional expenses in Budget Paper No. 4 that are not included in departmental output costs.

## Drug Services

Drug Services outputs, through the provision of programs to promote and protect the health and wellbeing of all Victorians by reducing death, disease and social harm caused by the use and misuse of licit and illicit drugs, make a significant contribution to the key government outcomes of:

- high quality, accessible health and community services;
- a fairer society that reduces disadvantage and respects diversity; and
- building friendly, confident and safe communities.

Major Outputs/Deliverables <i>Performance Measures</i>	Unit of Measure	2009-10 Target	2008-09 Expected Outcome	2008-09 Target	2007-08 Actual
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### Drug Prevention and Control

Encourages all Victorians to minimise the harmful effects of illicit and licit drugs, including alcohol, by providing a comprehensive range of strategies, which focus on enhanced community and professional education, targeted prevention and early intervention, and the use of effective regulation.

#### Quantity

Contacts through Family Drug Help	number	5 000	5 000	5 000	6 229
GPs trained to prescribe pharmacotherapy <sup>(a)</sup>	number	70	50	70	40
Licences and permits for supply or use of drugs and poisons <sup>(b)</sup>	number	1 275	1 260	1 245	1 285
Needles and syringes provided through the Needle and Syringe Program	number ('000)	7 200	7 200	7 200	7 348
Participants in peer education programs for injecting drug users	number	250	250	250	250

#### Quality

Pharmacotherapy permits processed within designated timeframe	per cent	100	100	100	100
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#### Cost

Total output cost	\$ million	24.1	26.5 <sup>(c)</sup>	22.5	21.6
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### Drug Treatment and Rehabilitation

Assists the community and individuals to control and reduce the harmful effects of illicit and licit drugs, including alcohol, in Victoria through the provision of residential and community-based services, which include withdrawal services, rehabilitation, supported accommodation, education and training, counselling and support.

#### Quantity

Clients on the pharmacotherapy program <sup>(d)</sup>	number	11 800	11 800	11 200	11 590
Commenced courses of treatment: community-based drug treatment services	number	33 420	33 420	33 420	33 764

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<b>Major Outputs/Deliverables</b> <i>Performance Measures</i>	<b>Unit of Measure</b>	<b>2009-10 Target</b>	<b>2008-09 Expected Outcome</b>	<b>2008-09 Target</b>	<b>2007-08 Actual</b>
Commenced courses of treatment: residential-based drug treatment services	number	6 062	6 062	6 062	6 359
<i>Quality</i>					
Alcohol and drug workers accredited	per cent	85	85	85	64
Drug treatment services accredited	per cent	100	100	100	99
Evaluation, research and development projects satisfactorily completed	per cent	100	100	100	100
Successful courses of treatment (episodes of care): community-based drug treatment services	number	31 085	31 085	31 085	29 656
Successful courses of treatment (episodes of care): residential-based drug treatment services	number	5 636	5 636	5 636	5 672
<i>Timeliness</i>					
Average working days between screening of client and commencement of residential-based drug treatment <sup>(e)</sup>	days	6	6.9	6	6.9
Average working days between screening of client and commencement of community-based drug treatment <sup>(f)</sup>	days	3	2	3	2
<i>Cost</i>					
Total output cost	\$ million	103.4	102.3	101.4	99.7

Source: Department of Human Services

Notes:

- (a) 2008-09 Expected Outcome reflects difficulties in recruiting GPs to the training. A new marketing and recruitment program is now underway but commenced later than initially anticipated.
- (b) 2008-09 Expected Outcome reflects above target performance due to increased demand. This trend is expected to be repeated in 2009-10.
- (c) 2008-09 Expected Outcome includes funding provided under the 'Victorian Alcohol Action Plan', and increased Commonwealth funding for drug diversion.
- (d) 2008-09 Expected Outcome reflects an increase in numbers of pharmacotherapy providers and dispensers resulting in increased access to pharmacotherapy.
- (e) The 2008-09 Expected Outcome reflects increased demand for residential-based services.
- (f) 2008-09 Expected Outcome is a positive result and reflects improvements in waiting times.