

PROCEEDS-OF-CRIME GRANTS — ELIGIBILITY CRITERIA

Grievance

MR A.P. O’GORMAN (Joondalup) [9.35 am]: My grievance this morning is to the Attorney General. I am making this grievance this morning on behalf of four not-for-profit organisations in my electorate that between them have more than 100 years’ experience in delivering services to the community in not only Joondalup, but also as far south as Leederville and as far north as Gingin. The grievance arises from the eligibility criteria for applying for proceeds-of-crime grants and from the Attorney General’s own website, which states —

5. ELIGIBILITY

To be eligible for funding, applicant organisations will need to contribute at least 50% of the effort of the project. The contribution can consist of both cash and in-kind services however; in-kind services are not to exceed 50% of the contribution. Cash contributions can include grant funding from other sources.

That particular eligibility criterion has caused major havoc in the non-government organisations and the not-for-profit organisations throughout the state, but the organisations in my electorate have sought to chase it down to see whether they can have it changed. One of the things that has greatly offended them is that when this matter has been raised previously in the media—there have been a number of media articles on this—the Attorney General himself has made assertions that these organisations are not properly accountable. I will quote from the *Joondalup Weekender* dated 22 April, which states —

Mr Porter said accountability should be the top priority when handing out grants.

As I said, these four organisations that have between them more than 100 years’ experience in delivering services in the community, have had many government grants—both federal and state—and have acquitted each and every one of those grants, including the proceeds-of-crime grants every time and to the satisfaction of the Attorney General and the other departments that have offered those grants.

It was not only the Attorney General, but also his parliamentary secretary who attacked some of the local organisations in his response to a letter from Mrs Robin Terry from Women’s Healthworks, which is one of the organisations I am talking about. I will just give a quick synopsis, as there is not a lot of time, of what she had to say —

So the Attorney-General, Christian Porter, wants not-for-profit community groups to foot half of the funding for any project they seek money for from the Criminal Property Confiscation Grants program ...

Apparently this is so they can be “equal partners in the success of the projects.” Tell me Mr Porter, do you really expect me to believe that local not-for-profit community organisations would have a spare \$100,000.

That is, if the organisations had applied for a \$200 000 grant. It is just not practical. Most of these organisations apply for grants on the basis of the programs that they run. They get the exact amount of funding for that and there is no opportunity to co-fund criminal property confiscation grants. Two of these organisations that I am talking about are the Spiers Centre Inc and Joondalup Youth Support Services. The Spiers Centre ran a program that engaged families with drug dependency or drug use and misuse. The funding for that program came from criminal property confiscation grants money and has been acquitted appropriately. In a letter from the chief executive officer of that organisation to the Attorney General’s parliamentary secretary, the member for the North Metropolitan Region, Michael Mischin, she quoted his comments as saying —

“The government has purposely targeted grants at larger projects, run by non profit group that have a track record of being able to deliver projects and which can properly account for usage of confiscation account funding”.

Again the parliamentary secretary is asserting that these small organisations do not appropriately acquit and account for their funding. The parliamentary secretary has continually made comments to that effect. He has done it in a letter to the Spiers Centre, he has done it in newspapers and he has done it in an attack on Mrs Terry, both in newspapers and in letters. Mrs Terry, in yesterday’s paper, defended her organisation, Women’s Healthworks, which also operates a program under the criminal property confiscation grants program. The program was initially funded through proceeds of crime. It was successfully acquitted; as indeed are all of the programs we manage. Women’s Healthworks has an excellent track record of delivering projects and financially acquitting public moneys. The article goes on —

If, as you state, Mr Mischin, some small non-government organisations have had difficulties administering CPCGP —

Criminal property confiscation grants program —

— monies, does this justify the blanket approach your government has taken with regard to this funding?

It’s not good enough to say that all small to medium organisations must pay the price; it is a blunt instrument with which to manage the CPCGP and will mean that many innovative locally managed projects that address a pressing need in the community will go unfunded.

What we are seeking from the Attorney General is a retraction of those comments that assert these organisations are not acquitting appropriately, and an apology. We would like the Attorney General to modify the eligibility criteria because it is nonsensical to expect small not-for-profit organisations to be able to fund dollar for dollar. No other government organisation does it—not one. It suggests they have to provide dollar for dollar. Most of their funding is completely for the program.

Can we also get some clarification that no other government department requires that, or will that be a policy of this government’s in the future; therefore, we are going to exclude small not-for-profit organisations? I see the Attorney General nodding his head saying yes, which is a disgrace.

Mr C.C. Porter: I am going to give the member some examples.

Mr A.P. O’GORMAN: Can the Attorney General make it clear that this is not an attempt to push smaller organisations out of delivering community projects and push the larger organisations in to the detriment of the community? Larger organisations have not worked successfully in the Joondalup area. These small organisations—the Spiers Centre, Joondalup Youth Support, Women’s Healthworks and the Pat Giles Centre—have been delivering in the Joondalup area for well over 25 years, and, as I said, have combined experience of well over 100 years. Is the Attorney General suggesting that these organisations are not capable and we would be better off having organisations such as Centacare or Anglicare—who do not operate in the area—who are better able to address and understand current community needs? These organisations pick up these programs from client requests. They put them through and they acquit each and every dollar.

MR C.C. PORTER (Bateman — Attorney General) [9.42 am]: I thank the member for his grievance. The member mentioned four organisations—the fourth one very late in the piece—the Pat Giles Centre?

Mr A.P. O’Gorman: It is a women’s refuge.

Mr C.C. PORTER: I will address the member’s concerns by raising three matters. Firstly, the member spoke briefly about new criteria. There are new criteria. I might go into some little explanation as to what they are. Secondly, what is best practice in this area in terms of giving out grants. The member raised the curious comment that not one government organisation gives out grants in this way. I will address that under the second heading. Thirdly, I might take one of the examples of the four mentioned, which is the Spiers Centre, and give some indication how that may fit into the present grants program.

What are the new criteria? Yes, there are new criteria—they were brought in for a reason. I can give a quick summary of them. The first is that there will be enhanced governance comprising new and more detailed administrative processes for the assessment of applications, for the monitoring of the progress of approved grants and for the evaluation of project outcomes. The amount of funds that eligible groups can apply for has increased—in fact it has doubled—from \$100 000 to \$200 000. As the member correctly pointed out, there has been a material change; that is, applicants have to contribute at least 50 per cent of the value of the project. That contribution can consist of both cash and in-kind services; however, the in-kind component cannot be more than 50 per cent of the applicant’s contribution—that is to say 25 per cent. Cash contributions can include grant funding from other sources, which is a very important point. Applicants are required to provide details of how the in-kind contribution has been costed. Applications must be targeted. They must be based on data demonstrating the need for the project including community–stakeholder support; they must be evidence based; they must focus on results; and performance measures must set clear targets for improvements and outcomes.

Another change is that applicants are now required to meet more stringent criteria including providing proven and verifiable examples of previously successful projects, and demonstrating the sustainability of projects after the funding ceases. They have to submit a detailed work plan including time frames, key milestones and performance measures. Non-incorporated not-for-profit organisations are now not eligible to apply for funding under this program. Amended membership of the Confiscation Proceeds Account Committee is such that the chair will no longer be held by a government representative but by a representative from the Department of the Attorney General. The member only focused on one of those changes—that was of course the matter relating to a requirement for a contribution either in cash or in kind.

The second point I will address relates to best practice; particularly this issue about a contribution in cash or in kind. What the member has asked from me is a retraction that these groups the member mentioned would not be able to acquit the funds appropriately. I have never suggested that those particular groups would not be able to

acquit the funds. One of them I have got some knowledge of. It seems to me the Spiers organisation is precisely the type of group that could properly apply, be successful and acquit the funds.

Mr A.P. O’Gorman interjected.

Mr C.C. PORTER: The member has asked me to retract statements that simply have not been made. The reason these guidelines have been changed is because the independent audit report said that what we should do as a government is increase the level of funding available to fund fewer but more strategic projects that are designed to make a significant impact. The reason that was identified as the way this grants program should be restructured is because when we go back to the audit report, one of the things found at pages 16 and 17 was that there was no evidence that the approved grants provided value for money, nor were they assessed to determine if they provided value for money. In my view some organisations, under the previous six or eight years of grants rounds, did not properly acquit the funds in a way which showed value for money. That is a statement I have made on several occasions. It is a statement that I stand by. I have no difficulties whatsoever with any of the organisations that the member has mentioned. I have never made any specific statements about them. I will not retract something that I simply have not said.

Mr A.P. O’Gorman: All four organisations feel aggrieved because they feel they were tarred with the one brush.

Mr C.C. PORTER: If they are inclined to carry an imputation that was not there, there is very little I can do about that. I have been very careful in the way I have gone about making the statement, which I think is a fair statement—that we want value for money. I put this to the member: there is a tendency, unfortunately, in government, to view simply funding an organisation as the end of the matter. These organisations exist for the services they can provide to the community. I am not suggesting that the organisations the member cited do not provide good services, but the fact is there is always an opportunity cost. What we as a government are trying to do is allocate the funds to provide the greatest service to the community.

The member for Joondalup’s comment that “no-one does it this way in government”, with respect, is just not true. The reason we have devised the program in this way is that this is standard practice for the allocation of grants. The arts grants program, Department of Culture and the Arts; the share the risk program, Country Arts WA; the regional arts fund, Country Arts WA—federal government; WA Premier’s arts partnership fund, DCA; community road safety grants program, Road Safety Council —

Mr A.P. O’Gorman interjected.

Mr C.C. PORTER: The member asked a question. I am giving an answer.

Low emissions energy development fund, Department of Environment and Conservation; litter prevention grants, Keep Australia Beautiful Council; veterans and community grants, the commonwealth Department of Veterans’ Affairs; community grants scheme, the Department of Environment and Conservation—Waste Authority; regional grants scheme; royalties for regions; Eventscorp arts and cultural scheme—the list goes on. The fact is that all of those to a degree, either more or less than what has been proposed here, require in-kind contribution. The reason they do that is it is the best guarantee that the organisation is well placed to acquit the funds and to provide excellent services to the community.

I will refer to one of the organisations the member referred to—the Spiers organisation. It seems to me it is an excellent organisation. It previously applied for funding to the grants program and received \$93 000. Interestingly, when we look at the Spiers organisation, which I understand the member is or was the chairman of at some point, it is a very good organisation. Its budget in 2008 was \$381 000-odd. In 2009 its budget was \$494 000. If it wants to apply for a grant in the vicinity of \$93 000—which it was given previously—what it would be required to do is stump up \$23 000-odd. In a budget of that size, when we could use other grants to ensure that this grant can be provided, it does not seem to me, given best practice in the field, to be unreasonable. The member has asked me to retract something I have not said, which I will not do.