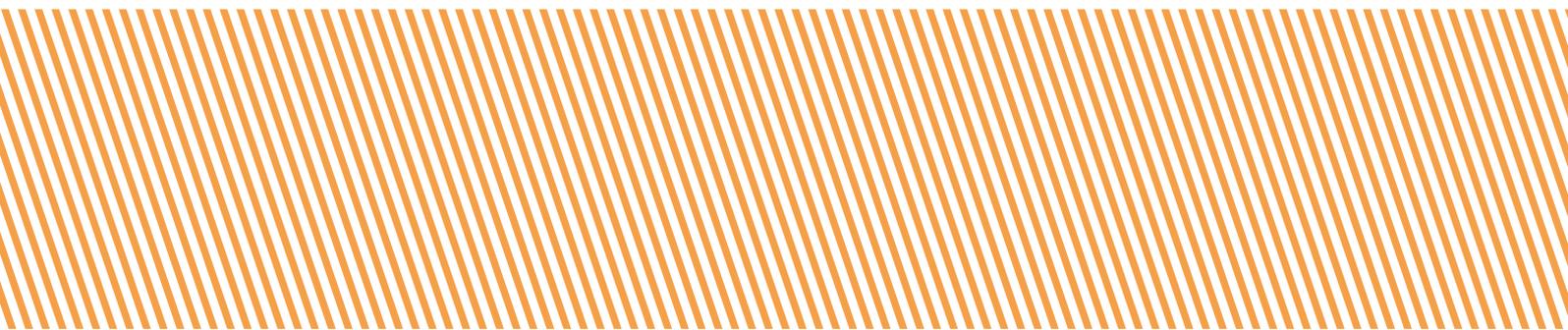




## **Victorian Government Response to**

Victorian Competition and  
Efficiency Commission's  
Final Report.

*Getting it together: An inquiry  
into the sharing of government  
and community facilities*



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***Getting it together:  
An inquiry into the sharing of government  
and community facilities***

Victorian Competition and Efficiency Commission's  
Final Report

**Victorian Government Response**

March 2010



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## Foreword

The Victorian Government is committed to promoting more efficient government investment without duplicating facilities in the community. The sharing of government and community facilities supports this initiative.

Victoria is leading the way in sharing government and community facilities. The number of shared facilities in Victoria could be as high as 20 000. The *Shared Facility Partnerships* guide is a Victorian Government initiative that supports partnerships between schools, councils, community organisations, businesses, sport and other education providers to build better facilities and increase access to facilities for a range of purposes at a single location.

Local councils and schools are the main providers of shared facilities. It is estimated that up to two thirds of schools share at least one facility. Through the *Victorian Schools Plan* the Government is rebuilding, renovating and extending all Victorian government schools. The plan encourages the sharing of school facilities with the community.

It is in this context that the Government asked the Victorian Competition and Efficiency Commission (VCEC) to assess the potential for increased sharing of government and community facilities in metropolitan and regional Victoria, in relation to existing and new facilities.

In its final report, the VCEC identified 24 recommendations with focus on better information, improving funding-based incentives, governance and commercial arrangements, and long-term opportunities to increase sharing.

Overall the VCEC report endorses the Government's existing policies and directions in developing shared facilities across Victorian communities, with the recommendations largely building on existing processes.

The Government has closely examined each of the recommendations, and is generally supportive of the directions recommended in the VCEC's report. This document details the Government's response to each recommendation.

There was a high level of interest and participation from stakeholders throughout the inquiry process. I would like to thank all those who participated in this inquiry.



**JOHN LENDERS MP**  
Treasurer





## Overview

The benefits of sharing facilities include improved service delivery and efficiency, increased social connectedness and participation and better use of government asset investment.

There are many examples of shared facilities and successful partnerships already in Victoria with up to two thirds of Victorian government schools sharing their facilities with other groups and many local councils making community facilities available for community use. The Victorian Government directed the VCEC to undertake an inquiry into the sharing of government and community facilities in Victoria.

In September 2009, the VCEC presented its final report, *Getting it together: An inquiry into the sharing of government and community facilities* to the Government. The final report contains 24 recommendations focused on building on existing arrangements for shared facilities in metropolitan and regional Victoria.

The VCEC recommended that further increasing the current level of sharing facilities in Victoria would bring more benefits to community groups.

It is important to acknowledge that many existing successful sharing arrangements have developed at the local level without government intervention. It is imperative that the Government support these arrangements and the enthusiasm that currently exists in communities for shared facilities.

### ***Better connections: information, good practice, and better guidance***

Open communication and easily accessible information are essential for local communities to use shared facilities efficiently. Existing programs currently underway are improving the Government's ability to find and record information on shared facilities. The Government will look for examples of best practice approaches to coordinating shared facilities and marketing, and ways of improving information flow to local councils, bearing in mind the variety of needs and complexity of arrangements in different areas.

There is also a role for brokers, with local knowledge of community needs and government objectives, to help manage the development of complex shared facilities.

### ***Improving funding-based incentives to share facilities***

Existing government reporting on current and future assets identifies opportunities for sharing facilities. The *Building Futures* policy framework provides a guide for all capital investment in government school infrastructure in Victoria and aims to identify current and future proposed sharing of facilities.

Combined government capital grant applications, based on projects rather than applicants, have the potential to introduce efficiency in the funding application and assessment process. Consideration of all future funding requirements over the life of the facility can provide a more holistic approach to the assessment of new grant applications.

### ***Governance and commercial arrangements***

Existing guidelines for good governance arrangements used by schools may be used for the development of similar guidelines for other community organisations. The Government can provide further advice on governance of cost recovery arrangements and is seeking further information on insurance issues.

***Long-term opportunities: planning to increase sharing***

Regional Management forums and Precinct Structure Plans already provide support for coordinated investment and development of new facilities in new areas. The Commonwealth Government's *Building the Education Revolution* program and the Victorian Government's *Victorian Schools Plan* will increase the number of government school facilities that can be shared. Evaluation of long-term possibilities of sharing facilities during the assessment stage of funding proposals is important.

***Bringing it all together***

Easily accessible details of facilities available for sharing and general information resources would encourage community groups to seek new opportunities to form partnerships.

## Better connections: information, good practice, and better guidance

### Recommendation 6.1

That to increase the benefits from existing shared facilities, the Victorian Government commence a two-year program, coordinated by the Department of Planning and Community Development, to build up a reasonably comprehensive picture of shared facilities. That within the next 12 months:

- the Department of Planning and Community Development, in consultation with the Municipal Association of Victoria, set up a program to identify existing best practice local government databases that facilitate public access to information on shared facilities and their availability, and offer an IT-based solution to each local government;
- the Department of Education and Early Childhood Development, as part of its management of government schools, collect information on the level of sharing and facilities that are available for additional sharing to allow the contribution sharing makes to education to be maximised, and instruct schools to provide information on sharing to local governments on request; and
- the Department of Sustainability and Environment in its management of Crown land and associated facilities under committees of management, bring up to date the list of facilities, committees and the purpose for which the land is reserved, and provide it to relevant local governments on request.

In addition, that:

- on request, other departments provide information to local governments about facilities that are shared and available for additional sharing. If necessary, the relevant department should collect information on its facilities if this information is not available from other sources; and
- the Department of Planning and Community Development collect information on other community facilities that are potentially available for sharing and provide that information to relevant local governments on request.

### Response

### Support in principle

The Victorian Government supports the collection and provision of public information on shared facilities and local councils being the first point of call for community members seeking information about community facilities available for general use.

This support includes making information on state facilities suitable for shared use arrangements, available to relevant local councils on

request. Programs currently underway in Department of Sustainability and Environment (DSE), Department of Education and Early Childhood Development (DEECD) and Department of Planning and Community Development (DPCD) will improve the Government's ability to gather and provide this information. For example, project design for updating the database of facilities on Crown land reserves to meet the reporting requirements of the *Public Finance and Accountability Bill*, is in progress. DPCD will discuss further with the Municipal Association of Victoria ways to improve information flows to local councils about facilities suitable for sharing.

The Government will support local governments in identifying best practice approaches to shared facilities coordination and marketing. However, local governments are best placed to determine individual information technology (IT) solutions due to the variety of existing IT systems used in the local government sector and the variety of needs across councils of differing size and complexity.

**Recommendation 6.2**

That to improve the success rate of new proposals for shared facilities, Department of Planning and Community Development act as a catalyst for the selective use of brokers to facilitate sharing, including:

1. within nine months, training a small number of its staff to be available on projects that would benefit from such support;
2. within 18 months providing information about brokers on a web-based shared facilities portal (recommendation 10.1). This information would include:
  - information on the role of the broker, and how it differs depending on the complexity of the shared arrangements;
  - a checklist to identify under which circumstances a broker may be beneficial to the arrangements; and
  - a set of questions for parties to ask potential brokers.
3. for grants funding starting in 2010-11, independent brokers should be considered for projects over \$10 million, or that are of regional significance, and that involve three or more stakeholder groups.

**Response**

**Support**

The Victorian Government supports the use of brokers to assist with the development of significant or complex shared facilities. This practice already occurs where large scale shared school facilities are involved and in the development of new large scale community facilities in priority locations.

DPCD's regional teams act as brokers or facilitators for community facility projects and larger precinct developments. DPCD is currently reviewing its recruitment, training and development of regional teams to have a greater focus on the skill sets required for

brokerage work, building on the lessons from the evaluations of existing and completed projects involving brokers.

DPCD's community investment approach will mean having one brokerage contact in a place. The broker's role involves understanding community needs and government directions, balancing needs and resource requirements, and sourcing possible funding internal and external to government.

The Victorian Government will continue to make information about the role of brokers available through its existing publications and will include this information on relevant websites, including DPCD's grant-related websites.

The Victorian Government agrees that brokers should be considered for projects of regional significance, but the significance be based on complexity determined through consultation, rather than reference to a specified monetary project value.

**Recommendation 6.3**

That the Department of Education and Early Childhood Development, starting in 2010, include in its reporting systems with schools an opportunity for school principals to indicate how the department can further support principals in sharing school and community facilities.

That the Department of Education and Early Childhood Development subsequently report back to principals on the issues raised and how it responded to those issues.

**Response**

**Support**

DEECD communicates with schools and principals on shared facilities via regular email updates, the Departmental Shine magazine and shared facility guides/publications. DEECD will continue to do so and to accept feedback. Effective communication encompasses both formal reporting and more flexible information flows.

The Commonwealth Government's *Building the Education Revolution* program will involve the development of fact sheets to support effective sharing of facilities and this will further improve engagement with schools.

**Recommendation 6.4**

That to improve the effectiveness of non-school shared facilities, the Department of Planning and Community Development, in consultation with the Municipal Association of Victoria, develop and disseminate within 12 months shared agreement templates for non-school facilities, in the form of:

- templates for simpler hire or licence agreements; and
- guidelines for creating joint-use agreements for more complex arrangements.

Templates and guidelines would draw on the experience of the Department of Planning and Community Development, work already undertaken by local governments, and also seek an appropriate balance of responsibilities between parties. These templates and guidelines should be made available through the proposed portal (recommendation 10.1).

**Response**

**Support in principle**

The Victorian Government is committed to reducing the administrative burden on community organisations. DPCD will keep the structure of agreements under review but not embark on major development of new templates, unless there is a clear net benefit to be gained and a clear need.

**Recommendation 6.5**

That state government departments involved in developing shared facility agreements set target time periods for the completion of agreements and publish outcomes against those targets.

That, to lessen delays in preparing new shared facilities involving schools, the Department of Planning and Community Development commit to a default target period of six months, unless a different target is agreed to at the commencement of negotiations, for the completion of joint-use agreements involving government schools. The Department of Planning and Community Development would give progress reports to parties at key milestones during the process and publicly report actual times against this target.

**Response**

**Support in part**

The Victorian Government is currently implementing measures to streamline the legal agreement process involved in developing Joint Use Agreements (JUAs) for school facilities. These measures will assist parties to understand, plan and draft JUAs, simplifying the process for stakeholders and lessening delays.

Due to the diversity of circumstances involved in agreements and the potential influence of factors outside the control of Departments, meeting a generic timeline may be difficult in some cases. However, delays in finalising agreements will be minimised through improved process, and good practice can be shared through Victorian Government channels, such as the online guide *Better Grants by Design*.

**Recommendation 6.6**

That to improve design outcomes for shared facilities, the Office of the Victorian Government Architect (OVGA) provide, within 12 months, the following information to be included in the Department of Planning and Community Development web-based shared facilities portal (recommendation 10.1):

- a list of recent shared facilities and architect contact details;
- a list of questions for parties to ask prospective architects;
- a set of principles of good design for shared facilities; and
- examples of innovative and effective design solutions.

**Response**

**Support in part**

The Victorian Government supports the Victorian Government Architect (OVGA) providing information linked to DPCD's existing web based grant program sites and the general DPCD website (see response to recommendation 10.1) within 12 months. Recognising that information requirements will vary from project to project, the OVGA will provide the following information:

- a list of best practice/exemplary buildings which integrate shared facilities, including national and international examples;
- links to the OVGA's website and good design publications which include good design principles and processes; and
- contact details for the OVGA which can provide advice on a project by project basis to assist in achieving good outcomes.

In addition, local governments are encouraged to access DPCD's Urban Design Charter for Victoria, which focuses on broader issues concerning 'accessibility', 'safety', 'fit and function' and complementary mixed uses', are elements of good urban design.

## Improving funding-based incentives to share facilities

### Recommendation 7.1

That to improve capital expenditure decisions as they relate to achieving the Government's objectives through the sharing of facilities, the following actions be undertaken:

- when Ministers bring forward capital expenditure proposals for funding consideration commencing as soon as possible and at the latest in 2010-11, they (i) indicate whether the sharing of a facility is feasible, and if so (ii) demonstrate that the preferred option for the design and operation of the facility maximises the net benefits for the community, including by taking up any suitable sharing opportunities;
- the Department of Treasury and Finance build upon current guidelines for new capital expenditure to include guidance for departments on how to identify and assess the social benefits of options for the design and operation of a shared facility, to be prepared within 12 months. This guidance should be made available through the proposed portal (recommendation 10.1); and
- the Treasurer, as part of the annual budget process commencing in 2011-12, report on relevant funding and asset use decisions that have made use of opportunities to share facilities.

### Response

### Support

The Victorian Government supports the assessment of the potential for sharing facilities in the evaluation of capital expenditure proposals. The Department of Treasury and Finance (DTF) *Investment Lifecycle Guidelines* (ILG) promote the pursuit of asset solutions that include support for co-location. DTF will continue to work with departments to enhance the focus on shared facilities. Departmental asset and multi-year strategies are intended to help identify opportunities for shared facilities. DTF will look at ways to enhance this focus in its business case training to ensure options analysis is rigorous and explores shared facility opportunities.

DTF guidance to departments draws on better practice in developing and delivering capital proposals. DTF notes the difficulties in quantifying net social benefits, which involve complex methodological requirements. However, DTF guidance does stress the importance of identification of benefits and DTF does undertake an evaluation on project completion to assess realisation of benefits.

The Government will continue to explore other reporting possibilities across government to document opportunities for shared facilities and progress on existing projects.

**Recommendation 7.2**

That to improve the assessment of proposals for new school funding, the Department of Education and Early Childhood Development include in its formula for funding new and existing schools, an assessment of the consequences and opportunities for educational objectives from shared facilities, from 2010-11.

**Response**

**Support**

The Victorian Government supports the promotion of schools as community facilities and will continue to facilitate this through its capital investment policy.

*Building Futures* is the policy framework that guides all capital investment in government school infrastructure in Victoria and involves progression through stages before funding is considered.

*Building Futures* Stage 2 (Educational Rationale) requires all schools seeking capital investment to identify current and future resource sharing opportunities with the community.

A *Gateway* review of *Building Futures* is due in 2010 and the Department will investigate ways to strengthen the assessment of sharing opportunities.

**Recommendation 7.3**

That to assess factors beyond capital requirements, the approval for state government grants administered by the Department of Education and Early Childhood Development, starting in 2010-11, take into account whether the proposed project has adequately identified and considered the factors important to successful sharing of facilities, in proportion to the size and scope of the project, such as:

- consultation;
- feasibility studies and planning;
- brokers or facilitators; and
- ongoing management.

The Department of Planning and Community Development, starting in 2010-11, allow greater flexibility within its grants for applicants to apply for funding to meet the costs of these processes.

**Response**

**Support**

Grant application and assessment processes within DPCD provide a focus on consultation and community engagement, feasibility studies, partnerships, project management arrangements and ongoing operating and management costs.

Planning grants are available through the Victorian Community Support Grants program (up to \$30 000 for community facilities planning) and through Sport and Recreation Victoria (for sports facilities) to assist with feasibility studies and planning.

**Recommendation 7.4**

That to improve the success rate of grant proposals for shared facilities, the Department of Planning and Community Development, starting in 2010-11, simplify the process for applying for funding across multiple grants in its portfolio, by only requiring one application per facility, rather than one application per grant. Applications would then be assessed against all eligible grant programs.

**Response**

**Support**

The Victorian Government is continuing to improve its grant-making processes to make it easier for applicants. DPCD has already used single application and assessment processes for complex shared facilities as well as single funding agreements for complex projects involving multiple grant programs. This allows the project to be assessed as a whole rather than as a series of components.

These processes are being further improved, and the potential to use a single application where funding is also sought from programs in other Departments will be investigated.

Evaluation of innovations in these processes will be undertaken to determine the success or otherwise of this process and benefit of any learnings from the evaluation.

**Recommendation 7.5**

That to improve the coordination of grant proposals between government departments, the Secretaries' Committee, supported by the Department of Planning and Community Development trial case manager and project team approaches to grants administration for an 18 month period, while having regard to the experience of Department of Planning and Community Development with single grant applications (recommendation 7.4):

- for more complex funding arrangements, a project team across departments should be established, where each relevant department is represented by an officer who is

able to make decisions on behalf of their department;  
and

- for smaller projects, a case manager may be appointed. The case manager would be responsible for coordinating all state government grants, irrespective of which department is providing the grants. The case manager would liaise between different departments.

This trial would commence by June 2010.

**Response**

**Support in principle**

The Victorian Government sees the case manager and brokering roles as synonymous. Where a project is complex and requires many investors, the broker or case manager might bring together a cross department investment team to facilitate the brokering process.

The Government supports single application, assessment and grant-making processes, acknowledging that 'back of house' these may need to be supported by cross department memoranda of understanding or funds transfer with a nominated lead agency. On occasion, where projects are high risk or very complex, these arrangements may be supported by a project team with other funding agencies represented.

**Recommendation 7.6**

That to improve the assessment of proposals and grants for new shared facilities, business cases (where needed and not currently undertaken) and grant applications for shared facilities, starting in 2010, include a section in which applicants are required to demonstrate consideration of all funding requirements over the life of the project.

**Response**

**Support**

The Victorian Government supports the approach that assessment of proposals and grants for new shared facilities consider all funding requirements over the life of projects.

**Recommendation 7.7**

That to improve the information available to communities about facilities, the Department of Sustainability and Environment conduct a progressive audit of facilities managed by committees of management on Crown land reserves. This audit should begin in 2010 with 5 per cent of reserves, as well as reserves nominated by local councils and the Department of Planning and Community Development. Information pertaining to the use and availability of facilities should be collected and disseminated through local councils.

**Response**

**Support in principle**

Implementation of this recommendation will be dependent upon completion of the database referred to in response to Recommendation 6.1 and the development of a feasible audit project plan and rollout.

**Recommendation 7.8**

That to facilitate better management of Crown land reserves, the Department of Sustainability and Environment provide additional support for committees of management that manage reserves in the form of updated guidance material (drawing on the Government's decisions on this inquiry), workshops to discuss responsibilities and requirements of committees of management, and guidance about how to deal with problems that may arise. These should begin in 2010. This information should be made available through the proposed portal (recommendation 10.1).

**Response**

**Support in principle**

The Victorian Government supports Committees of Management through the provision of guidelines. By June 2010 DSE will complete an internal review of the governance framework for all committees. It is envisaged that workshops will follow in 2010-11.

## Governance and commercial arrangements

### Recommendation 8.1

That the Department of Planning and Community Development, in consultation with the Municipal Association of Victoria, prepare within 12 months, guidelines for good governance arrangements for community groups operating in shared facilities. The guidelines for shared facilities would be sufficiently detailed to ensure predictability in how the governance process operates.

The guidelines would provide specific guidance for 'small', 'medium' and 'large' shared facilities on:

- the different governance structures for the development and operational phases of a shared facility;
- different forms of community engagement and involvement that are appropriate during the start-up and ongoing operation of a shared facility;
- the responsibilities of partners and users of the facility that should be incorporated in agreements;
- setting up management boards;
- getting the right people involved; and
- dispute resolution procedures.

The guidelines would also embed the principle of proportionality to limit unnecessary administrative burdens on the shared facilities. These guidelines should be made available through the proposed portal (recommendation 10.1).

### Response

#### Support in principle

Existing DEECD guidelines, while having a schools focus, were designed to be of value to community groups involved in shared facilities that are not part of a school. The Victorian Government will find ways to promulgate these guidelines further and test their usefulness to community organisations. Across government, good practice can be shared through the Whole of Victorian Government channels such as the VPS Hub and the online guide, *Better Grants by Design*.

### Recommendation 8.2

That to increase the support for skill development among community organisations involved in shared facilities the Department of Planning and Community Development, for grants applications starting in 2010, assess opportunities for those involved in the governance and operation of shared facilities to be supported by existing mentoring programs, including that run by Leadership Victoria, and pass contact details on to these mentoring programs on request.

**Response**

**Support in principle**

The Victorian Government agrees that mentoring, and the advisory role that experienced volunteers can play, can be very valuable contributions to the development of individual and organisational capacity in the community sector. For example, leadership mentoring programs are already a major component of Department of Innovation, Industry and Regional Development's package of community development grants.

Ongoing development of volunteering programs is a key element of building partnerships with business and philanthropy. The Government will find further ways to connect people with experience in governance, facility operations, leadership development, partnership development, and dispute resolution, to those organisations that would benefit from this experience. This includes those developing or operating shared facilities.

**Recommendation 8.3**

That to assist those involved in shared facilities to develop and understand good approaches to pricing, the Department of Treasury and Finance, within 12 months, prepare guidance on cost recovery principles to be applied to shared facilities. The guidance would address the following:

- consistency with existing guidelines applying to state government activities;
- consistency with the Victorian Government's policies on competitive neutrality; and
- comments in this report on how that policy would relate to shared facilities including recognising that provisions to waive charges for specified reasons can be appropriate.

The Victorian Competition and Efficiency Commission endorse the guidelines as they relate to competitive neutrality. This guidance would be supported by supplementary guidance prepared by:

- Department of Education and Early Childhood Development in relation to the application of cost recovery principles to government schools; and
- Department of Planning and Community Development in consultation with the Municipal Association of Victoria, for application to shared facilities, other than government schools, that are owned or funded by the Department and/or local governments. These guidelines should be made available through the proposed portal (recommendation 10.1).

**Response**

**Support**

Government departments and agencies are already subject to cost recovery guidelines, that apply in the determination and collection of charges for certain goods and services.

Analysis is being undertaken to provide schools with cost recovery advice in relation to community use of *Building the Education Revolution* facilities, with consideration being given to the Commonwealth Government requirement that they be shared with the community at low or no cost.

DTF will consult with DEECD, DPCD, the Municipal Association of Victoria and the VCEC when considering the preparation of supplementary guidance on the application of these principles to shared facilities.

**Recommendation 8.4**

That the Minister for Finance ask the Victorian Managed Insurance Authority to undertake a review and report publicly, within 12 months, on the possibility of developing specific insurance products to cover the use of shared facilities by informal community groups for short periods of time.

**Response**

**Support in part**

The Victorian Managed Insurance Authority (VMIA) plays a key role as an advisor and a source of support for departments and agencies in relation to non-financial, insurable and non-insurable risks.

While the VMIA does not provide commercial insurance to community groups as a normal commercial practice, the Government will ask the Authority to examine the insurance market facing community groups in relation to shared facilities and to advise on ways that any current market uncertainties can be mitigated.

The VMIA will be asked to present its advice to the Government by 31 July 2010.

## Long-term opportunities: planning to increase sharing

<b>Recommendation 9.1</b>	<p>That to support the early identification and analysis of opportunities to share facilities:</p> <ul style="list-style-type: none"><li>• the Department of Planning and Community Development review local council Strategic Resource Plans and other relevant council planning documents to identify potential sharing opportunities and forward this information to state government departments;</li><li>• each local council and state government department have a nominated contact officer to facilitate discussions on opportunities to share facilities; and</li><li>• if opportunities to share facilities have been identified by a state government agency or local government but other government bodies appear reluctant to engage in discussions, the relevant Regional Management Forum should facilitate such discussions.</li></ul>
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### Response

### Support

The Victorian Government agrees that the processes for planning and developing facilities should be better coordinated across levels of government and across different sectors. The Government believes that this should be done by continually improving existing integrated planning approaches, in consultation with local government peak bodies and councils.

There are already a number of processes in place to support more coordinated facility planning. These include regional management forums (which include all State agencies and local councils in each region) and Precinct Structure Plans (PSPs) in growth areas. Forty PSPs are currently being developed, providing a detailed blueprint for coordinated development and investment in community facilities in new suburbs. Structure planning Activity Centres provides a basis for the early identification of shared facilities in many established areas. Regional Management Forums (RMFs) are well placed to discuss community and local government plans ahead of implementation by local government.

DPCD and the Growth Area Authority are leading the development of a *Business Process Model* to support the more effective and systemic planning, funding and development of new co-located community facilities.

The Government will encourage local councils to bring their Strategic resource plans and, if needed, capital works programs to regional management forums on a periodic basis to discuss opportunities for facility sharing.

**Recommendation 9.2**

That the Department of Planning and Community Development in consultation with the Department of Education and Early Childhood Development and the Municipal Association of Victoria, develop options for streamlining the planning process for shared school facilities (public and private), including a threshold test where certain activities do not require a planning permit. These options should be put to the Minister for Planning within 12 months and then be released for public consultation.

**Response**

**Support in principle**

The planning process associated with implementation of the Commonwealth Government's *Building the Education Revolution* program was streamlined for non-government schools. Further streamlining arrangements would involve the development of simpler planning processes for the building or improvement of schools to be used as shared community facilities.

The Victorian Government is supportive of investigating further the scope for streamlining plan approvals in conjunction with the Municipal Association of Victoria. The application of a 'threshold test' would require careful evaluation in such an investigation.

**Recommendation 9.3**

That to increase the likelihood that shared facilities in Victoria achieve value for money and support stronger communities, the Victorian Government propose, within six months, improvements to funding programs administered by the Commonwealth Government by:

- providing sufficient time for applicants (including schools and community groups) to identify and develop opportunities for effective sharing arrangements;
- removing funding conditions that act as a disincentive to sharing facilities (for example, limits on the use of capital funding provided to non-government schools), unless such conditions are necessary to achieve other policy objectives;
- aligning the information requirements and timelines for the submission of applications and approval of funding for shared facilities across different levels of government; and
- offering guidance on criteria for community sharing and user charges for Commonwealth-funded facilities, drawing on this inquiry.

**Response**

**Support**

The Victorian Government supports Recommendation 9.3, noting that measures to increase community use of Commonwealth funded capital projects would be welcome.

The Victorian Government notes that the compact implementation schedule for the Commonwealth Government's *Nation Building - Economic Stimulus Plan* is necessary to ensure timely fiscal stimulus to the economy.

Funding under the *Building the Education Revolution* program will create a large number of facilities which will be available for community use. This is complemented through Victorian co-investment through the *Victorian Schools Plan*.

**Recommendation 9.4**

That for existing shared facility arrangements, the Department of Education and Early Childhood Development and the Department of Planning and Community Development, in consultation with the Municipal Association of Victoria, independently evaluate a sample of these arrangements within two years. To improve learnings from shared facilities, the results of these evaluations should be widely disseminated to stakeholders, including via the proposed portal (recommendation 10.1).

**Response**

**Support**

The Victorian Government supports the recommendation to evaluate a sample of shared facility projects and make the findings available publicly. The Government's response to this recommendation will build on its earlier examination of case studies of shared facility partnerships published in *Shared Facility Partnerships: A Guide to Good Governance for Schools and the Community*.

**Recommendation 9.5**

That for new shared facility arrangements funded by the Victorian Government, the Department of Education and Early Childhood Development and the Department of Planning and Community Development, in consultation with other departments as necessary:

- develop and publish criteria to guide the choice of the appropriate evaluation strategy for new shared facilities, including when evaluation may be unnecessary or unjustified; and

- provide funding and, as appropriate, other support to enable an ex post evaluation of the benefits and costs of the selected shared facility arrangements to be undertaken.

To improve learnings from shared facilities, the results of these evaluations should be widely disseminated to stakeholders, including via the proposed portal (recommendation 10.1).

**Response**

**Support in part**

The Victorian Government acknowledges the importance of project evaluation in informing the future development of shared facilities projects and has embedded evaluation within relevant DEECD and DPCD funding programs. General guidance on evaluation has been published on the DPCD website. This guidance was developed for broad use and is accessed regularly by community organisations to support their evaluation projects.

The Government will ensure future evaluations of shared facilities projects are undertaken, that can serve as models for other projects as outlined in the recommendation, and that they are disseminated widely.

Funding for evaluations will continue in accordance with existing policies and funding available from existing grant programs.

## Bringing it all together

### Recommendation 10.1

That to facilitate better connection between users and suppliers of shared facilities and to facilitate access to information, the Department of Planning and Community Development develop and host a web-based shared facilities portal.

Information on the portal would include, but not necessarily be limited to:

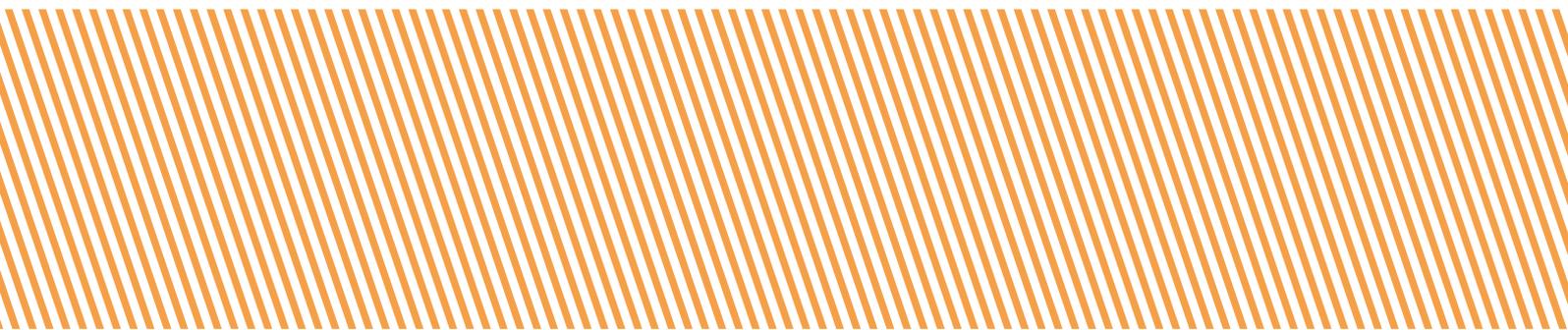
1. information relating to brokers (recommendation 6.2);
2. templates for simple arrangements and guidelines for more complex agreements to share non-school facilities (recommendation 6.4);
3. information regarding architects (recommendation 6.6);
4. guidance on assessing social benefits from shared facilities (recommendation 7.1);
5. information for committees of management overseeing Crown land reserves (recommendation 7.8);
6. guidelines for good governance arrangements in shared facilities (recommendation 8.1);
7. guidance on cost recovery principles (recommendation 8.3); and
8. evaluations of shared facilities (recommendations 9.4 and 9.5). This portal would provide facility owners and managers, as well as potential facility users, with a central repository of information and best practices in relation to shared facilities. The portal would commence within 12 months, and be built up over time.

### Response

### Support in principle

The Victorian Government supports in principle the notion that information on shared facilities development should be made accessible on the web. DPCD will incorporate the information resources described in this recommendation into its existing web based grant program sites and the general DPCD web site. This will need to occur progressively as new information is made available from across government.

However, the benefits to be derived are not likely to warrant the resources required to establish a new dedicated web portal, database and information management system.



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**Victorian Government  
Response to**

Victorian Competition and  
Efficiency Commission's  
Final Report.  
*Getting it together:  
An inquiry into the sharing  
of government and  
community facilities*