

Department of Social Services
Financial and Wellbeing Capability: Discussion Paper 2017

Response prepared by Uniting (Victoria and Tasmania) Ltd
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Introduction

Uniting (Victoria and Tasmania) Ltd is the new community services organisation of the Uniting Church in Australia Synod of Victoria and Tasmania.

Building from the legacy of its 22 founding agencies across the UnitingCare network, Uniting (Victoria and Tasmania) Ltd has a combined annual budget of approximately \$250 million, over 3,500 staff and 3,500 volunteers. It operates across metropolitan, regional and remote parts of Victoria and Tasmania, offering a broad range of services and advocacy to support thousands of vulnerable people.

The services of the new organisation include: emergency relief; financial counselling; housing and homelessness; employment; early childhood; child, youth and family; disability; mental health; community aged care and respite services; alcohol and other drugs; and Lifeline.

2016/17 is a year of transition with a single Board of Governance overseeing the 22 entities (founding agencies), while organisational capability and identity is developed. It is expected that agencies will come together as part of the new single organisation in the middle of 2017.

Bringing together our existing network of founding agencies creates an even more robust, efficient and effective service delivery model. It strengthens our capability and capacity, creates alignment and will ensure consistent, high quality and streamlined service for all consumers whilst creating further synergies and efficiencies over time.

As part of this process, all Uniting founding agencies have committed to collaboration and shared resources towards our service delivery goals. This commitment enables leveraging of expertise, infrastructure and capability.

Until this process is complete, founding agencies continue to trade with their existing ABNs and are responsible for delivery of funded and other services and programs.

Uniting welcomes the opportunity to provide feedback to the Department of Social Services on its recently released Discussion Paper relating to the proposed re-design of federally funded Financial Well-Being (FWC) Activity, encompassing Financial Counselling, Emergency Relief and Micro-Finance activities .

The Discussion Paper is of particular interest to Uniting as our 22 founding organisations provide a range of federally funded services including Emergency Relief and Problem Gambling Financial Counselling together with activities funded through the Victorian State Government including Generalist Financial Counselling. In addition, Uniting agencies provide a range of micro finance activities funded by the community and private sector, including No Interest Loans Scheme (NILS), Step Up Loans and CareRing.

In compiling a response to this Discussion Paper, Uniting has consulted with staff from our 22 founding agencies as well as partner agencies and has also participated in sector wide dialogue regarding the proposed changes in relation to Emergency Relief and Financial Counselling.

General Comments

Uniting supports this review and its purpose, in particular DSS' desire to strengthen client-centred and wraparound services and to achieve longer term positive outcomes for clients.

Uniting, like DSS, is experiencing a growing complexity in the issues facing our clients, requiring an integrated, coordinated approach to service delivery within the agency and externally. Clients should not have to contact multiple agencies and repeat their story to get the assistance they require. A one-stop shop which integrates services and provides the opportunity for initial triage, then longer term support, is desirable. This approach would also act as an early intervener for many, providing information and supports before some issues take hold.

It is important to recognise that everyone is vulnerable at particular junctures, and supports must be in place to assist at those times.

CASE STUDY: Asylum seeker's energy debt

Fatima presented with multiple needs including medical bills, limited furniture and high utility bills. Her husband has a disability and she is pregnant. Utility bills equalled \$477. Fatima was refused assistance from her utility retailer under its hardship program as she did not have a concession card. She was instead referred to a financial counsellor to organise a payment plan.

Uniting Intervention: Negotiation with utility retailer to provide Fatima with access to the hardship program – this made her eligible to apply for the Utility Relief Grant Scheme (available in Victoria for up to \$1500 for eligible utility accounts) and to reduce her payment plan to \$40 per fortnight. Fatima was referred to another community agency to assist with furniture and \$200 to go towards her bills. Uniting provided Fatima with emergency relief to the value of \$100 for food.

Outcomes: Fatima was successful in receiving the Utility Relief Grant which wiped her utility debt, has a regular payment plan established with her utility retailer that covers her usage and information about how to manage her usage at home. Fatima has also been relieved of all stress about paying her bills.

Responses to Questions

1. Service Eligibility

1.1 What impacts do you expect restricting eligibility criteria in the manner proposed above will have on your service?

The main changes proposed, relate to Emergency Relief (ER) and Commonwealth Financial Counselling (CFC) services being restricted to those at imminent risk of not being able to pay their debts. As a complement to the income support safety net, Financial Capability would be restricted towards people in receipt of an Australian Government social welfare allowance, pension or benefit, people experiencing domestic and family violence, and immigrants/non-citizens.

Uniting recommends that eligibility for Emergency Relief and Commonwealth Financial Counselling Services not be restricted to those at imminent risk of not being able to pay their debts, and that access to Financial Capability programs not be restricted to people who receive social welfare, those experiencing family violence and immigrants/non-citizens.

Uniting delivers an integrated service model, called *CareRing*, in partnership with the private sector that responds to customers in financial distress in a wholistic and integrated way by providing a multi-disciplinary assessment and facilitating access to a range of social supports and interventions.

Through *CareRing*, Uniting utilises a survey based on the HILDA model to measure indicators of financial hardship including an inability to pay various bills, asking for help from a welfare/community agency, asking family and friends for help, being unable to heat home, pawning/selling something and going without meals. Figure 1 below, shows client responses to indicators of financial hardship from a sample size of 539 people.

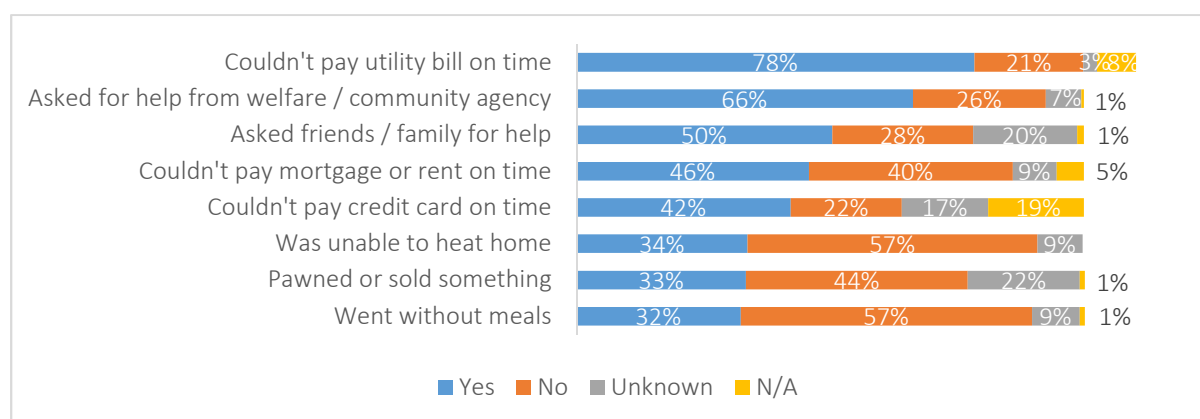


Figure 1: *CareRing* client responses to indicators of financial hardship

Restricting access to ER and CFC services would exclude many people seen by organisations such as Uniting who present with financial and/or utility issues. Only three of the eight indicators would ensure eligibility under the proposed changes to the FWC model.

If the DSS review is designed to also expand opportunities for early intervention and prevention, it is recommended that the eligibility criteria for access to all programs is broadened rather than narrowed to focus only people on income management or experiencing debt.

1.2 What strategies can be employed to ensure that services are accessible for those who need them the most?

Uniting believes there is a need to streamline service delivery wherever possible and to enhance referral pathways as required between service providers.

Feedback from our staff indicates, in the main, clients are able to access services, however at times staff resourcing issues has led to clients not being able to access services in a timely manner. The use of Service Hubs or at very least, the co- location of key services, is seen as having a proven history in ensuring clients can effectively engage with a range of services at one location in a timely way.

In addition to this, service delivery models were viewed as needing to have strong triage and assessment processes in place, when clients initially engage with a service.

2. Service Integration

2.1 *What would help you to strengthen cooperation with other services (e.g. family support services and jobactive/job network providers) in your community? What additional support would you need to achieve this?*

Uniting strongly supports DSS' desire to improve service integration across the welfare sector, and particularly supports the expansion of service hubs. Our experience is people presenting for support with financial issues are also experiencing a range of other vulnerabilities such as unemployment, illness/accident, relationship breakdown and family violence. Figure 2 below shows the range of vulnerabilities of people presenting to a Uniting service from a sample size of 779 people.

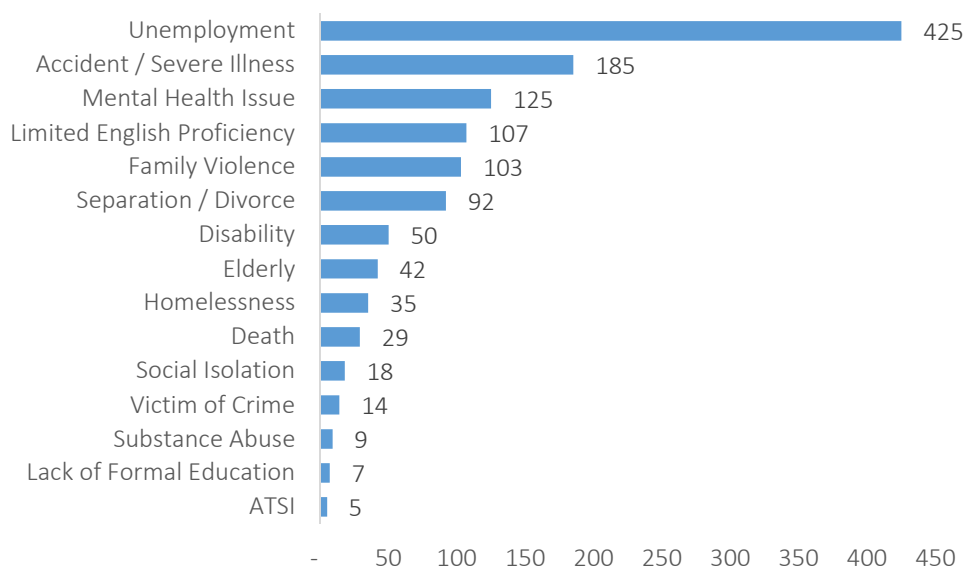


Figure 2: Client personal vulnerabilities

In terms of effective practice, Uniting would like to emphasise that optimum service delivery is achieved when key services are located at the one site or in close proximity to each other. Feedback from our staff also indicated there was support for Outreach models of service delivery that could either operate as part of a centralised service delivery point or be delivered elsewhere, as required.

Funding of service delivery models that build integration into service delivery is also seen as vital to effective service delivery. An example of this is the recent Victorian Government's decision to provide funding to Generalist Financial Counselling Services to address the impact of family violence on financial counselling clients.

Feedback provided by Uniting staff, did not support ER and Financial Counselling personnel being directly involved in engaging clients with regard to work readiness. This was viewed as a duplication of effort with existing Job Providers and was not seen as a legitimate role for program staff and volunteers in particular.

2.2 *What effect will the requirement to formalise relationships with other organisations have on your service? How do you see these relationships working to maximise their effectiveness?*

Uniting notes that the effect is really dependant on the scale of what is being proposed. Formalisation of partnerships and referral pathways are already standard practice within the sector. It is pleasing to note, DSS will develop guidance material to assist agencies in the development of the proposed partnerships and that these guidelines will allow flexibility to ensure such relationships meet local and community needs.

While a requirement to formalise relationships between community agencies will ensure that community agencies that have chosen to 'stand-alone' can no longer do so, it does not guarantee cooperation as this only brings people together. Uniting is interested to hear further from DSS regarding the following:

- How will formalisation of such partnerships be determined?
- Will the Federal Government consult with the wider sector about the need to formalise these partnerships prior to requiring FWC service providers to contractually agree to such an arrangement?
- What measures are likely to be put in place by DSS to determine compliance with this requirement

2.3 Where is integration / collaboration of FWC microfinance services with other FWC services occurring across the country? Is there a way these relationships could be better supported?

Integration / collaboration of FWC microfinance services with other FWC services is occurring across a number of Uniting sites and includes the delivery of microfinance services with Financial Counselling and Emergency Relief services.

For example, two of Uniting's founding agencies, Kildonan UnitingCare and Lentara UnitingCare provide microfinance services across northern metropolitan Melbourne from sites with a multitude of other program areas, including Emergency Relief and Financial Counselling. These services are fully integrated and allow for eligible clients to move seamlessly between services.

Overall, the relationship between microfinance and other FWC program areas works well, with the most effective delivery of microfinance services occurring when this service type is offered in conjunction with other financial counselling services.

2.4 What elements would need to be present to ensure a hub model is successful in your community? What additional support would you need to establish a hub in your community?

Uniting has identified that a successful hub model is reliant on a range of factors, including the need for comprehensive research into community need, careful targeting of service providers to meet this need and a single entry point for Intake into the services provided.

Formal partnerships between service providers would be required with a focus on continuing to shape service delivery based on community feedback and community need. Evidence based research is viewed as the key to shaping service delivery.

The lead agency model is seen as the most appropriate to the management of hubs, with the lead agency having responsibility to build clear and transparent consultation between service providers and the community as whole.

It is noted that the Discussion Paper indicates that federal funding may be provided to fund the establishment of a Hub “in one or two locations” across Australia based on known disadvantage and the availability of other relevant support services.

While the above approach is supported, future federal funding should be specifically allocated to promote service integration across FWC activities, given the emphasis on service integration in the DSS Discussion Paper. The establishment of a larger number of service Hubs within rural, regional and metropolitan communities is seen as being directly aligned to the commitment by DSS to service those most at risk.

2.6 How could the Australian Government funding be used differently to better support integration of FWC services?

Flexibility in funding arrangements is the key to supporting enhanced service integration and the need to place an increased emphasis on early intervention and prevention activities such as budgeting support programs and financial literacy education.

3. Strategies to support client outcomes

3.1 What strategies can you utilise to support a client to improve their financial and/or employment outcomes?

Uniting is focussed on positive outcomes for clients; therefore, we support any amendments to the FWC which strengthens client outcomes. Sometimes, employment particular outcomes are not immediately possible for clients seeking employment; however, Uniting is strongly supportive of a strengths-based approach to meeting clients' needs.

In relation to improving financial outcomes for clients, strategies utilised by Uniting include community based financial education sessions, assisting clients to access and utilise the Money Help site, referring to Financial Capability Workers or Budget Advisors to assist with income management and where appropriate referring to micro finance services for assistance.

As already noted in this paper, Uniting does not believe it should be the responsibility of FWC activities to assist clients with employment related tasks other than to refer clients to a Job Service Provider on an as required basis.

In addition, Uniting urges DSS to ensure the FWC program does not take a punitive approach to clients who present for ER on multiple occasions. The best way to address the complexity of needs our clients face is to ensure a multi-faceted team is available and funded to support their various needs.

CASE STUDY: Retired couple supported by Uniting

“I feel like things cannot go on the way they are. Things might have to get worse before they can get better but they cannot stay like this, we cannot live like this anymore”.

Adrian and his wife Rita live in the family home with their adult son Tom and teenage granddaughter. Tom has drug and gambling issues, is unwilling to receive assistance and intimidates the household. He is also violent and unpredictable. Financially, the family are also struggling with Tom often taking money, leaving his parents with very little for food and bills and to support their granddaughter with school expenses. Adrian and Rita are also struggling with high utility bills. The family has become isolated as friends and other family members refusing to visit the house.

Uniting intervention: Uniting was able to apply for a utility relief grant and place their utility bill on hold. Safety issues were identified when Tom returned home during the initial visit. The Client Support Worker (CSW) assisted the family by consulting with the police station regarding an application and summons for an Intervention Order (IVO). Information was also provided regarding what to expect in court on the day of court proceedings and possible outcomes and conditions of the IVO. A referral was made to legal aid and the CSW provided support throughout the court process. Information was also provided about supports available to address substance abuse and gambling issues and a referral was made to the No Interest Loan program for the purchase of an iPad for their granddaughter for school.

Outcomes: An IVO is now in place. The knowledge provided by Uniting's CSW provided Adrian with the confidence to discuss with Police Officers and Magistrate, the conditions and care for his Granddaughter and has allowed Tom to remain living in the family home for the time being. Adrian and Rita feel more confident in being able to take steps to address future difficulties. Adrian has also been contacted regarding the NILS loan to purchase the iPad for his Granddaughter.

3.2 How does your service currently deal with clients who present to your service on multiple occasions? At what point should additional support and requirements apply to repeat ER clients? What form should this take? What barriers do you see in implementing these requirements with your clients? What support would you need to implement such a proposal?

The approach taken by Uniting in dealing with clients who present on multiple occasions, differs from site to site and is dependent on a range of factors including the amount of DSS funding received for a particular region, service location and presenting client issues.

In line with the current DSS ER guidelines, some Uniting service sites stipulate that clients must receive case management support at their second and subsequent visits for assistance. This arrangement is put in place to ensure clients receive targeted support, based on a thorough assessment of need. This approach is working well with a significant increase in referral to a range of other service providers occurring and collaborative partnerships being developed with a range of service providers across the sector.

It is important to note, this approach is not general across Uniting sites or the wider ER sector, with many agency representatives noting that they do not formally "gate keep" or set conditions around the repeat use of the service.

A key barrier to implementing "gate keeping" for clients is that current federal funding does not generally allow agencies to employ case management staff and volunteers generally, do not have sufficient expertise to carry out what is a demanding and highly skilled role. In addition to this, mandating that clients improve their financial management, needs to be seen within the context of the increasing cost of living and the real challenges that this presents for welfare recipients in terms of living above the poverty line.

Specific federal funding for Case Management positions within the ER sector and funding to employ more Financial Capability Workers (Budgeting and Financial Literacy focus) would assist with the provision of more targeted and meaningful support for ER clients.

3.3 How can DSS better support early intervention and prevention opportunities

Flexibility in funding arrangements is the key to supporting enhanced service integration and the need to place an increased emphasis on early intervention and prevention activities such as budgeting support programs and financial literacy education.

4. Strategies to build a strong workforce

4.1 Do ER and CFC/FC workers need to build capacity? If so, how might this be done?

Uniting supports moves to build capacity in the FWC workforce and sees connection to other services and moves towards a co-existing specialist and a generalist workforce as integral in ensuring the sector has capability to continue to respond to emerging needs. Uniting identifies the importance of a multi-disciplinary team who work together to support outcomes given financial issues are closely connected to broader health and wellbeing. Alongside capability building for FC and ER workers, Uniting sees the need for other community sector and health professionals (who make up a significantly larger workforce) to receive training in financial literacy and resilience building.

4.2 What 'tools' do you see as integral to the further development of the FWC services in Australia?

It is clear that there is a definite need to build capacity within the ER sector as the majority of those providing such support are volunteers. There has been considerable work undertaken in the past by the Australian Council of Social Services in compiling an Emergency Relief Handbook and the local Peak Body (ER Victoria) provided a range of training for volunteers and produced excellent training and promotional material for the ER sector as a whole. While ER Victoria no longer receives federal funding, feedback clearly indicates that the sector has been significantly disadvantaged, in terms of workforce development since the demise of this organization as a Peak Body.

The move to offer National Training for the ER Sector is supported, however this is seen as a huge challenge in terms of delivering such training in a timely and ongoing manner. Problem Gambling Financial Counsellors staff are in receipt of a well-coordinated and developed Professional Development Calendar and the need for these staff to build further capacity mainly relates to such staff accessing basic family violence training and ensuring they receive specific training in relation to understanding issues relating to Problem Gambling .

5. Strategies to strengthen evidence, improve practice and measure outcomes.

Uniting supports a stronger research and outcomes measurement base to test longer term outcomes. It has implemented similar approaches with activities such as CareRing and other programs, including the Victorian Government funded Families@Home, which delivers increased engagement in education and employment.

Practice example: Families@Home evaluation

Families@Home is an Innovation Action Project (IAP) to trial new approaches to intervening early and preventing homelessness. IAPs were a key part of the Victorian Homelessness Action Plan. The intention of these projects was to inform future service design. The Uniting Families@Home program is based in the north east (Whittlesea area) growth corridor of Melbourne, where rates of

family violence are high, financial and utility hardship is significant, job loss, unemployment, disengagement from education by young people and social isolation is prevalent and where there is a paucity of infrastructure and human service agencies.

Families@Home's multi-disciplinary model (including casework, counselling, financial counselling, access to housing and brokerage), means women and children at risk of homelessness due to family violence, are holistically supported to achieve a range of sustainable outcomes.

Initially, Families@Home was funded to support **245 clients** from 1 October 2013 to 30 June 2015. Referrals were received from a range of agencies including family violence, Child Protection, family services, culturally specific and housing services. By the end of January 2015, the program had received 419 referrals with services provided to 389 clients.

Research published by the State-wide Women's Domestic Violence Crisis Service has calculated the cost to the government for each woman entering the refuge system to equate **\$53,279 per person**. The Families@Home program supports women financially to establish and/or maintain tenancies. Many of these women would have no alternative but to enter the refuge system to seek safety from family violence. The total Families@Home expenditure for clients to establish and/or maintain a tenancy was \$302,963 by end January 2015. This total divided by the program's number of clients (393) averages to around **\$1,000 per person** (and does not include accompanying children). The program also recorded improvements to engagement in employment and education.

Any evaluation of the FWC activity needs to consider both cost effectiveness and the various drivers that dictate social need including structural issues such as housing affordability and homelessness. The importance for evaluation processes to place social constructs at its centre and then seek to understand individual functioning and well-being in this context is especially important.

While it is important to evaluate the effectiveness of strategies that contribute to greater client engagement and more effective client outcomes, restricting evaluation to beliefs that individuals are solely responsible for their own circumstances creates a narrow and distorted lens in developing practice and policy responses.

Evaluating what leads and contributes to effective partnerships for FWC activities and how such partnerships enhance client outcomes would also be important.