

Department of Social Services

Australian Government

Thursday, 15 December 2022

## **VincentCare's Response to Financial Counselling Industry Funding Model Discussion Paper, December 2022**

VincentCare Victoria (VincentCare) welcomes the opportunity to make this submission in response to the Department of Social Service's Discussion Paper on the Financial Counselling Industry Funding Model.

VincentCare was established by St. Vincent de Paul Society in Victoria in 2003 to operate, grow and evolve the Society's government funded programs in responding to people experiencing extreme disadvantage. VincentCare Victoria operates services and programs covering homelessness and crisis accommodation, homelessness early intervention and prevention, family violence, substance treatment and recovery and housing, including transitional, supported housing and refuge.

Our services and programs operate across a large catchment area in Melbourne's North West, the Bayside-Peninsula region of Melbourne and north central and north eastern regional Victoria. Specific programs such as our Ozanam House crisis supported accommodation facility and our Youth Justice Homelessness Assistance Program are state wide programs. VincentCare is committed to the principles of social justice and aims to ensure that every individual is treated with dignity and respect regardless of their ability, cultural background, ethnicity, gender identity, sexual orientation or religion.

VincentCare currently operates a Financial Counselling and Capability Program from its Hume Community Hub based in Shepparton, delivering both the Money Support Hub and Emergency Relief Programs funded by the Department of Social Services.

The Financial Counselling and Capability Program provides free and confidential financial counselling that includes financial education, advocacy, financial coaching and budgets. Immediate and one-off financial and/or material emergency relief can also be provided.

A team of qualified Financial Counsellors provide supports either via phone, in-office or outreach across a service area covering the City of Greater Shepparton, Benalla, Wangaratta, Yarrawonga and Kyabram.

Also operating from the Hume Community Hub is the Marian Community specialist family violence crisis service that provides 24/7 immediate crisis responses to victim survivors experiencing or escaping family violence. The service is primarily available within the City of Greater Shepparton, Moira and Strathbogie Shires during business hours but provides enhanced after hours responses to

family violence in an expanded area that includes Mitchell and Murrindindi Shires, thus servicing an area from the Murray River in the North to Wallan in the South.

Referrals to the Financial Counselling and Capability Program from Marian Community inform a wrap-around model of care that supports victim survivors on their journey of independence and financial wellbeing.

**Our response to the Discussion Questions:**

Discussion Question:

- What are your views on the proposed principles for developing the industry funding model?

VincentCare welcomes new resources to the financial assistance sector, as there is currently significant unmet demand. It is critical that current services remain in place and securely funded while new funding models are tested.

The Discussion Paper limits discussion of funding security for currently funded models to the proposed three-year trial period. VincentCare's Financial Counselling and Capability Programs work with people experiencing significant disadvantage, including those experiencing housing insecurity and escaping family violence. Beyond the proposed trial, it is vital that there remains a commitment to secure funding for these services that is not dependent on a voluntary funding model. Insecure funding of critical financial services will only exacerbate existing disadvantage within the community.

Overall VincentCare is aligned with the Financial Counselling sector's support for the proposed model.

The proposed Financial Counselling Industry Funding Model relies entirely on voluntary contributions. VincentCare supports the addition of contributing sectors into the funding of the Financial Counselling sector, however the security of a voluntary model is unclear. VincentCare would support the implementation of a mandatory contribution scheme.

Currently the disjointed funding of the Financial Counselling sector in Victoria results in a range of differing KPIs and program targets. VincentCare would support the opportunity provided by the implementation of any new model to align KPIs consistently across responses.

VincentCare would welcome the opportunity to discuss these issues in further detail, please contact me on (03) 9611 9256 or at [paul.turton@vincentcare.org.au](mailto:paul.turton@vincentcare.org.au).

Paul Turton  
Executive General Manager Client Services  
VincentCare Victoria



# Financial Counselling and Capability Services

A free and confidential counselling service.

## About Financial Counselling and Capability

**The Financial Counselling and Capability service teaches people strategies to help them manage their finances and build their capacity so they become comfortable with handling and managing their money.**

If any of the following applies to you, there is free and confidential Financial Counselling available to assist:

- ✓ I've got money worries
- ✓ I've been juggling bills and I'm threatened with disconnection of gas, electricity or water
- ✓ I'm unemployed and can't pay my credit card or loans
- ✓ I'm avoiding debt collectors
- ✓ I'm struggling to make ends meet
- ✓ I've given my things to pawn brokers or used pay day lenders
- ✓ My car is about to be repossessed and I don't know what to do
- ✓ The sheriff has come to the door to take my things
- ✓ I'm struggling to make ends meet

Financial Counsellors can work with you to find a solution and assist you in relieving your financial stress. All our Financial Counsellors are qualified professionals trained specifically to work with people experiencing financial difficulties. Financial Counsellors do not lend nor give money.

## What help is available?

A Financial Counsellor can help with:

- Assessing your overall financial situation
- Exploring options on what to do if you are experiencing difficulties paying bills, fines or debts
- Providing information about the options available to you regarding debts and creditors
- Providing information about the legal processes of debt collection and bankruptcy
- Advocating as a third party to financial institutions and/or creditors on your behalf (if necessary)

A Financial Capability Worker can help with:

- Addressing immediate financial needs
- Developing money management skills
- Providing coaching to help you make better financial decisions and build financial independence
- Budgeting support

Don't wait, get in touch and start taking control of your money today.

## Contact us

### Hume Community Hub

Phone: (03) 5825 9400 (business hours)

Email: [frp@vincentcare.org.au](mailto:frp@vincentcare.org.au)

**Turn over to find a list of helpful organisations that offer free financial advice and assistance.**

[vincentcare.org.au](http://vincentcare.org.au)





**VincentCare**  
Engage. Enable. Empower.

# Financial Counselling and Capability Services

A free and confidential counselling service.

## Helpful organisations

### National Debt Helpline

Offering free financial counselling.  
Freecall: 1800 007 007  
[www.ndh.org.au](http://www.ndh.org.au)

### MoneySmart

Australian Government website with useful information and tools regarding financial matters.  
[www.moneysmart.gov.au](http://www.moneysmart.gov.au)

### Consumer Action Law Centre

Offering free telephone legal advice on consumer matters.  
Freecall: 1800 466 477  
[www.consumeraction.org.au](http://www.consumeraction.org.au)

### Koori Help

Offering free debt advice and free legal advice.  
Lawyer: 1800 466 477  
Koori helpline: 1800 574 457

### Australian Financial Complaints Authority

Dispute resolution for financial complaints.  
Freecall: 1800 931 678  
[www.afca.org.au](http://www.afca.org.au)

### Energy and Water Ombudsman

Complaints regarding electricity, gas and water providers.  
Freecall: 1800 500 509  
[www.ewov.com.au](http://www.ewov.com.au)

### Telecommunications Industry Ombudsman

Complaints regarding telephone and internet providers.  
Freecall: 1800 062 058  
[www.tio.com.au](http://www.tio.com.au)

## About VincentCare Victoria

### Our Mandate

VincentCare Victoria was established to extend the Christian Mission of the St. Vincent de Paul Society to support people experiencing homelessness and providing care, hope and advocacy for the most disadvantaged Victorians.

### Our Aspiration

To be the leader in providing care, hope and advocacy for those facing disadvantage.

### Our Motto

Engage. Enable. Empower.

### Our Purpose

To create opportunities for lasting change for the most marginalised.

### Our Values

Accountability | Courage | Compassion |  
Dignity | Excellence | Leadership

Artwork: Ross Morgan, *River Dreaming*, 2019

[vincentcare.org.au](http://vincentcare.org.au)

VincentCare celebrates diversity and is committed to providing housing and support services that are fully inclusive.



# “Becky”

## Financial Counselling and Capability Program

### Hume Community Hub



Stock Image

#### INTAKE

Becky is a 24 year female, identifying as Aboriginal, with a 5 year old daughter.

Becky lives in private rental accommodation and is in receipt of Centrelink benefits as her sole source of income.

As a victim survivor of family violence, Becky was referred by Marian Community Specialist Family Violence services for support and encouragement to improve her financial literacy and resilience through practical assistance, for example budgeting.

While working with Becky, it became clear that there were a number of intersecting complications impacting her capacity to live a safe and independent life including loss of her driver’s licence and several infringements with Fines Victoria.

#### INTERVENTIONS

Veronica, the Financial Capability Worker, assisted Becky with developing a budget planner, giving Becky an overall picture of her financial situation. After working through her budget, the issues that gave Becky the most concern were the number and cumulative value of infringements which were both complex and messy. Becky had attempted to submit an online enquiry to Fines Victoria without success and required assistance to deal with this issue.

Over a period of several weeks, Veronica was able to assist and support Becky by:

- Facilitating a personalised intake and assessment meeting based on Becky’s initial enquiries and concerns.
- Consultation that focused on Becky’s needs, having her voice and choice heard, and to work on pathways that would meet the immediate and longer term goals.
- Suggesting personal management tools, such as noting date, time and individuals that Becky spoke to.
- Encouraging Becky to follow up with Fines Victoria again once sufficient time had passed.
- Advocating for Becky with Fines Victoria.
- Supporting Becky to access the Fines Victoria website to check progress of a review of infringements.
- Developing a budget with Becky that accommodated her financial requirements and that she was comfortable with.

VincentCare values and celebrates diversity and is committed to providing housing and support services that are fully inclusive.



# “Becky”

## Financial Counselling and Capability Program

### Hume Community Hub



Stock Image

#### OUTCOMES

Veronica was able to assist Becky to develop a workable budget that incorporated her income and the payment of all expense commitments including the infringements. The level of support from Veronica and input from Becky has set the foundation for improved financial resilience and independence for Becky.

Financial capability work aims to give people the power and confidence to make the most of their money and to improve their lives.

Financial resilience means that Becky now is able to manage her money, both day-to-day and through significant life events.

#### Client voice

Becky stated that she was confident that she could use the Fines Victoria website to monitor the progress of the infringement reviews, thanked Veronica for her support and guidance and stated that ‘she felt more confident in managing her financial situation’.

#### ABOUT THE FINANCIAL COUNSELLING AND CAPABILITY PROGRAM:

- This case study is provided by the Financial Counselling and Capability Program at VincentCare Victoria’s Hume Community Hub in Shepparton.
- The Program is funded by the federal Department of Social Services, currently servicing the City of Greater Shepparton with outreach to Kyabram, Yarrawonga, Benalla, and Wangaratta.
- The Financial Counselling and Capability team provide free, confidential and a non-judgement service; supporting and teaching strategies to manage finances and build financial capability; explores options (debts and creditors); and provides emergency relief where applicable.
- The Financial Counselling and Capability team currently consists of a full time Financial Counsellors, a part time Senior Financial Counsellor, a part time Financial Resilience Intake Worker and Financial Capability Worker.
- On average, the team assists over 300 clients each year.

*Photo is a stock photograph used for illustrative purposes only. It is not an image of the actual client referred to in this case study. The client has provided consent for their story to be shared.*

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# “Camille”

## Financial Counselling and Capability Program Hume Community Hub



### INTAKE

Camille is a mother of three in her late 30s. Camille was referred to the Financial Counselling and Capability program by Marian Community, the specialist family violence service (also a program that sits with the Hume Community Hub) in June 2020.

Camille lives in a rural town, working full time in the health industry. She resides in a private rental and is rebuilding her life after leaving an abusive relationship. Child support was a private arrangement.

Camille was seeking assistance for debts held with Credit Corp, and the removal of a Momentum Energy default listing to enable her to access competitive utility options from energy providers. The Momentum Energy debt had been fully paid and Camille had attempted to advocate for herself in regards to the removal of the default but was unsuccessful. She was also seeking assistance with school fees arrears.

The referral (along with client consent) was received on 18/06/2020. Financial Counsellor, Melissa Malyon contacted Camille on 26/06/2020, provided Camille with an emailed copy of VincentCare's induction documents, and scheduled an appointment for 30/06/2020. Due to the COVID-19 pandemic, the appointment was conducted via telephone.

At the initial appointment, Melissa completed a statement of financial position with Camille: a standard and mandatory practice that incorporates income, expenditure, assets, and debts.

### INTERVENTIONS

Based on the assessment of Camille's financial situation, Melissa was able to suggest a range of options/actions for Camille to consider and/or undertake that could assist with her situation, including;

- (i) selling one of her two vehicles to reduce registration and insurance costs
- (ii) shop for a cheaper internet provider
- (iii) shift to prepaid once current mobile contract ends
- (iv) search online for a child support calculator to work out whether the current private arrangement is satisfactory according to her earnings.

Melissa discussed the possibility of requesting debt waivers from Credit Corp. Camille requested that Melissa proceed with this action and to request Momentum Energy to remove the default listing.

Melissa worked with Camille to gather all the required supporting documentation, including authority for Melissa to act on behalf of Camille; pay slips; bank statements; copy of intervention order; support letter from the Marian Community Specialist Family Violence Case Manager supporting Camille.

An invoice was also obtained from the school in Camille's name for the school fees arrears in order to obtain emergency relief support for payment of the invoice (the original invoice had been in the name of the father of Camille's youngest two children, who was the perpetrator of family violence on Camille).



# “Camille”

## Financial Counselling and Capability Program

### Hume Community Hub



On 01/07/2020 Melissa submitted a well-supported debt waiver request to Credit Corp, for four debts: two Commonwealth Bank debts and two ANZ Bank debts, totalling \$18,980.35.

Melissa also contacted Momentum Energy with a robust request for removal of default listing.

### OUTCOMES

On 02/07/2020 Melissa was advised by Credit Corp that waivers had been granted on all four debts. Melissa thanked Credit Corp for supporting Camille.

On 09/07/2020 Melissa received a response from Momentum Energy, “Thanks for writing to us. We’ve approved your request and are in the process of withdrawing the default listing. I will send you an email to confirm when it’s been done.” Melissa thanked Momentum Energy for the positive outcome for Camille.

**“Oh that is awesome news thank you so much Melissa, when they do that I’ll be able to actually shop around for elec & gas. I’ve come home from a hard shift at work & your email has just picked me back up again, thank you again.” Camille to Melissa**

For Camille, these outcomes have been life changing. Camille told Melissa that she didn’t think an outcome like this was possible, that Melissa had given her hope and changed her life as she wishes to one day purchase her own home which had seemed such an impossibility before now.

**“It’s so wonderful, I can’t believe it!! I did a happy dance around my lounge room & I have hope, hope that I can be so independent and can work towards an awesome life for my kids & I. Thank you for referring me to Melissa. What you guys do is give independence, courage & hope to us women.” SMS from Camille to Melissa**

*Photo is a stock photograph used for illustrative purposes only. It is not an image of the actual client referred to in this case study.*

### ABOUT THE FINANCIAL COUNSELLING AND CAPABILITY PROGRAM:

- This case study is provided by the Financial Counselling and Capability Program at Hume Community Hub in Shepparton.
- The financial program is funded by the federal Department of Social Services and includes emergency relief. The financial program services the City of Greater Shepparton with outreach to Kyabram, Yarrawonga, Benalla, and Wangaratta.
- The Financial Counselling and Capability Program team currently consists of two full-time Financial Counsellors, one part-time Senior Financial Counsellor, and one part-time Financial Capability Worker.
- On average, the team assists over 470 clients each year.
- From mid-March 2019 (when Melissa started working with VincentCare) through to early July 2020, Melissa has successfully negotiated a remarkable total of \$409,848 in debt waivers for clients. Many of these waivers were negotiated on behalf of victim survivors of family violence.

