

Review of Financial Wellbeing & Capability Programs: CISVic Submission

12/02/24



Community Information
& Support Victoria

Helping local communities

About us

CISVic is the peak body representing local community information and support services (formerly Citizens Advice Bureaus). Our local services assist people experiencing personal and financial difficulties by providing information, referral and support services including Emergency Relief.

We direct people who need help to local agencies for services. We liaise with local, state and federal governments on behalf of local centres for funding and support. We undertake research and training.

CISVic and its members are committed to volunteering and offer a range of opportunities for people to work with us. And we seek and arrange funding from philanthropic organisations and private donors.

Acknowledgement

CISVic acknowledges the true custodians of Country and pays our respects to Elders past and present.

Executive Summary

This submission, in response to the Department of Social Service's Review of Financial Wellbeing and Capability Programs Consultation Paper, represents the experiences of Community Information and Support Victoria (CISVic), as a peak body and lead of an FWC Consortium.

This response outlines our sector's experiences of the FWC program, encompassing food relief, emergency relief and financial counselling and provides targeted recommendations aimed at improving its effectiveness in managing the increasing complexity of cases, and reach.

The Australian Government's Financial Capabilities and Wellbeing program is crucial in supporting vulnerable populations by addressing immediate needs and enhancing financial capability. However, CISVic member agencies and the broader sector experience operational challenges associated with funding inadequacy, funding competitiveness and reporting requirements.

CISVic supports DSS's current place-based funding model, however further support is needed to facilitate effective casework, broader networking and collaboration.

Recommendations

This submission responds to each of the seventeen questions asked in the paper. Specific recommendations have been made in relation to many of these questions.

More broadly, CISVic is recommending that DSS:

- **Enhance Program Flexibility:** Adapt the program to allow for greater flexibility in funding use to effectively address needs of communities.
- **Funding and Resource Allocation:** Increase the program's funding to ensure the sustainability of essential services and enable expansion to meet growing needs.
- **Streamlining Administrative Process:** Simplify administrative requirements to alleviate the burden on organisations, enabling them to focus more on service delivery.
- **Support Network Strengthening:** Encourage greater levels of collaboration between all levels of government, non-profits, and community groups to share resources and best practices.
- **Long-term Outcome Focus:** Integrate strategies aimed at fostering the financial wellbeing and independence of beneficiaries and improving the sustainability of service providers in the long term.

Focus Area 1: Current Operating environments and systemic issues.

1. What future role do you see for FWC programs in disasters and other crisis events?

The future role of Financial Wellbeing and Capability (FWC) programs in disasters and crisis events is increasingly pivotal. In the case of the pandemic, they were expected to adapt and respond swiftly to crisis situations, providing immediate financial advice, support, and guidance to those affected. The emphasis has been on developing and implementing disaster-responsive strategies that can be activated quickly, focusing on immediate relief for affected communities. However, there has been inadequate support for the ongoing impact of inflation and cost-of-living crisis. Ongoing support in disasters is crucial in bridging the gap between the initial emergency relief and sustainable financial wellbeing post-crisis.

Recommendations:

- The Australian Government allocate funding to disaster and crisis preparedness under the FWC program to ensure organisations can boost their capacity to respond to future crises.
- DSS develop a definition of crisis and disaster that reflects the diverse range of conditions that can have a wide-reaching impact on Australians' wellbeing and financial security, including cost-of-living and other economic crises.

2. What other Australian government policies, frameworks, reforms, or systems issues are changing the way FWC services are delivered, or impacting FWC clients?

The evolving landscape of Australian government policies, frameworks, and systemic reforms is significantly influencing the operations and client experiences within the FWC sector.

Key areas of concern include:

- **Cost-of-Living Crisis:** Increasing living expenses, exacerbated by insufficient adjustments in Centrelink payments, are placing immense pressure on individuals and families reliant on FWC services. The dire lack of investment in homelessness support and affordable housing further intensifies this crisis. Such economic strains not only reduce the disposable income of vulnerable populations but also heighten their dependence on FWC services for basic survival.
- **Climate Inaction:** The absence of robust policies to combat climate change disproportionately burdens lower-income households. This demographic faces escalating insurance premiums and increased utility bills, eroding their financial resilience. The compounded effect of climate inaction amplifies the hardships faced by these communities, necessitating additional support services to manage the financial implications.
- **Digital Transformation:** The government's shift towards digital service delivery, spearheaded by initiatives like Services Australia, is creating barriers for those less equipped to navigate online platforms. This transition has led to an increased demand for FWC services offering face-to-face and personalised assistance, as the government scales back on such direct interactions. The move towards digital platforms, while efficient, overlooks the accessibility needs of vulnerable groups, making FWC services more critical than ever.
- **Grant Program Facilitation:** The funding model for many FWC providers is heavily reliant on grants beyond FWC, which are often short-term and demand innovation or new programs for renewal. This creates a challenging environment for sustaining effective, ongoing services as continuous funding is hard to secure.

These issues collectively underscore the need for a holistic review and adaptation of policy frameworks to ensure the sustainability and effectiveness of FWC services. Addressing these challenges is imperative to mitigating the impacts on vulnerable populations and ensuring that the provision of critical services keeps pace with evolving societal needs.

Focus Area 2: Changing Client Needs

3. In what ways can FWC programs and services better respond to current and future client demand and people with complex needs?

FWC programs and services can enhance their response to current and future client demands, particularly for individuals with complex needs, by adopting a multi-tiered service delivery model that is consistent with FWC practice principles. This model comprises three distinct levels of service:

- **Transactional Emergency Relief (ER):** Services such as food relief that address immediate needs must be easily accessible to those in urgent situations. Funding and resources for these services should be allocated to ensure quick and efficient delivery without overwhelming clients with bureaucratic procedures.
- **Holistic Emergency Relief:** This level involves place-based assessments combined with wrap-around support to address not just the immediate need but also the underlying issues contributing to the client's situation. By integrating multidisciplinary support services at this stage, clients receive more comprehensive care tailored to their specific circumstances. Investment in this area should reflect the importance of a holistic approach in preventing further crises and supporting clients towards stability.

- **Casework:** For clients with complex needs requiring more intensive support, short-term practical casework offers a deeper level of intervention. This includes personalised, in-depth assistance that goes beyond immediate relief to facilitate long-term solutions. Funding for casework should be commensurate with the complexity and intensity of the support provided, ensuring that caseworkers have the resources and time to engage with clients effectively.

CISVic agencies operate as holistic ER providers, with around 40% also providing casework.

Across all levels, enhancing accessibility while maintaining personalised support is crucial. Developing targeted programs for vulnerable groups and strengthening partnerships with community, health, and social services will ensure a more coordinated and comprehensive support system. This approach acknowledges the varied and specific needs of clients, ensuring that FWC programs and services are equipped to offer the appropriate level of support. By aligning funding and resources with these service levels, FWC can more effectively meet the demands of those with complex needs, providing a scaffolded support system that facilitates sustainable outcomes.

Recommendations:

- The Australian Government allocates distinct funding, aligned with the 3 tiers, to secure organisations capacity to deliver response high-quality services to Australians with complex needs.
-

4. What do you consider is an effective FWC early intervention approach for a person at risk of financial stress and hardship?

An effective early intervention approach for individuals at risk of financial stress and hardship begins with a holistic assessment. Through a detailed and personalised assessment, individual needs are identified, and appropriate action is taken. For example, a person presents at an FWC-funded provider in financial crisis, having exhausted all their own resources and support networks. At this point, a conversation with a skilled worker (in our case, a trained volunteer) allows for identifying their needs, including exploring the root causes of their financial distress. Triage is carried out to direct individuals to the ER tier that their circumstances require. This can look like a combination of food relief (ongoing during the crisis) and wrap-around support (e.g., transport and pharmacy assistance, support to access microfinance or energy assistance, etc.). For clients with more complex needs, casework (when funded and available) can be provided. Like in the case of someone with no income due to issues with Centrelink payments, requiring skilled negotiations to resolve.

This approach addresses early intervention by allowing access to material aid, elevating a person or family's immediate financial need, while wrap-around or casework can begin to alleviate identified causes of their financial distress (e.g., providing information about the eviction process or financial support to someone who has received a notice to vacate) in a supportive and dignified manner. Issues that would otherwise continue to escalate are prevented or delayed or put on hold until specialist support can be provided.

Proactive identification of at-risk individuals through partnerships with community organisations, employers, and educational institutions. Offering services tailored to specific life stages or significant life events, such as starting a family or transitioning to retirement, can help individuals develop

resilience against financial stress. Additionally, integrating financial literacy into school curriculums and community programs can lay the foundation for long-term financial well-being. - It is important to understand that in some circumstances, early intervention will not be effective. For example, a single person on Newstart will often be in a constant state of financial stress and hardship due the insufficient welfare payment, coupled with increased daily living costs. Access to ER will remain important for clients in such circumstances.

Recommendation:

- The Australian Government allocates distinct funding, eligible to agencies offering more than basic ER under the FWC programs for caseworker roles to secure organisation's capacity to deliver high quality services to Australians with complex needs.
-

Focus Area 3: Best Proactive Service Delivery

5. Have you experienced a high-quality financial and wellbeing and capability service and what did this look like?

CISVic's model of service delivery is an example of a high-quality financial wellbeing and capability service. In relation to ER distribution, this looks like CISVic agency staff, caseworkers and volunteers taking time to understand the factors that are contributing to the financial and social wellbeing of people presenting for relief. By speaking with people and asking questions, our teams can address the specific factors contributing to their challenges including advocating on behalf of clients with third parties like Centrelink, NDIS or utility companies, referring clients to other services like domestic violence, disability or mental health support services. This approach of understanding a client's circumstances creates an experience for clients that is humanising and supports their financial wellbeing beyond providing immediate relief. This model addresses the initial crisis via budget relief and building a person's knowledge and confidence to prevent crises escalating, when waiting for specialist service. In this way, ER is both a crisis intervention and preventative program.

In relation to financial counselling, this looks like one-on-one counselling sessions that address specific financial challenges and are tailored to different life stages or needs, and ongoing support to encourage sustainable financial choices. In all cases, our services include several fundamental components including: respect for clients and their confidentiality, place-based service and providing tailored and practical advice and referrals.

6. How can the sector and the department better support organisations to provide wrap-around services, and effective referral pathways for clients, particularly those with complex or multiple needs?

To enhance the provision of wrap-around services and effective referral pathways, particularly for clients with complex and multiple needs, the sector and department can implement several strategies focused on fostering collaboration, increasing funding for operational costs, and promoting effective partnership between ER and FR providers. These strategies include:

- Strengthening collaborative networks: the department can support organisations by funding consortia, such as CISVic member agencies with the peak body as a lead, to unite organisations funded under the FWC program. This creates a structured opportunity for collaboration, enabling organisations to share resources, knowledge, best practices and referral, thereby enhancing service delivery to clients.
- Focusing on place-based services: ER providers that operate in a place-based model work directly within communities, enabling them to forge strong connections with local services. These connections are vital for creating a network of support that can address a wide range of client needs effectively, close to home.
- Addressing funding gaps: Currently, much of the ER funding is allocated by our member agencies as material aid by necessity, with insufficient allocation for staffing and operational costs. To provide comprehensive wrap-around services, providers need to retain knowledgeable staff and volunteers including caseworkers who are essential in managing complex cases and referrals. There is a need for increased funding that recognises the importance of both material aid and the workforce and volunteers that facilitate these services.

- Improving accessibility of government services: Clients seeking referrals are often facing challenging navigating government services, for example Services Australia, NDIS and housing supports, which have shifted over the years to prioritise online and telephone systems. This shift has reduced the availability of in-person service capacity, leaving clients frustrated and struggling. Enhancing support for the public.
- Improving collaboration between ER and FR providers: Organisations like CISVic play a crucial role in providing holistic, wraparound service through ER. In recent years, FR providers have begun offering FR directly to the public, often without the wrap-around casework delivered by ER providers. This shift reduces the opportunity to engage clients in meaningful casework that would have an ongoing impact on their financial wellbeing. DSS should encourage a more integrated collaboration between these two levels of material aid, ensuring improved access to the referrals and casework required by clients, while securing the provision of food.

Recommendations:

- The Australian Government increase the allocation of funding through the ER program to support the workforce and volunteers, build relationships to improve referral pathways and manage the delivery and compliance requirements to better support clients with complex needs.
- DSS should continue to invest in peak bodies to provide opportunities for training and support.
- DSS should encourage food relief providers to focus on their critical role in supporting logistical movement and accessibility of food to ER providers. This emphasis will allow ER providers to focus on casework and referrals, ensuring clients receive comprehensive support that addresses their immediate and long-term needs, rather than having material aid at the centre of ER.

7. Has your organisation introduced a service improvement or innovation that is making an impact in improving client outcomes? What can be done differently or more efficiently in FWC programs, such as the national arrangements for the National Debt Helpline?

Accredited Training:

The training and support of our volunteer workforce have been critical in the delivery of our ER program. Enabling volunteers with the skill and capacity required to respond to people experiencing financial crisis and multifaceted complex needs. The provision of our Community Support Worker Course, a specifically designed training developed for the Community Services unit Assess Co-Existing Needs (CHCCCS004), ensures an empathic and effective response to people in need. Ongoing training and support to the workforce is critical in improving client outcomes, and we continue to introduce accessible training packages; designed to upskill volunteers, ensuring enhanced client outcomes. In addition, we have leveraged our engagement with vulnerable clients to secure state government funding to support people with utility hardship. This has enabled us to deliver intensive energy assistance to our ER clients.

Emergency Relief Networks:

CISVic has introduced and facilitated a FWC Victorian network, bringing together representatives from Foodbank, Good Sheppard Microfinance, Financial Counselling Victoria and other FWC providers and providing opportunities to share learning and working collaboratively. Which later merged with the DSS State ER Committee.

Additionally, CISVic established a National ER Network, bringing together FWC providers across the nation to share best practices, resources, identify new and emerging trends in the emergency relief space and identify opportunities for potential collaboration. Feedback from participants suggests this mechanism is incredibly useful.

Casework Model:

Our casework model was first introduced in 2011, when DSS offered distinct funding under the Vulnerable Groups program. We conducted a comprehensive evaluation of this model, "Ending the Stopgap" finding this model allowed for better client outcomes, supported volunteers, and enhanced organisational capacity for providers.

COVID demonstrated our sector's ability to pivot and innovate service delivery during lockdowns, and in some cases, these innovations remain features of our model including the overnight transformation of face-to-face service delivery to remote service delivery – supplying food parcels to homes and agency doorsteps, using e-vouchers and electronic transfer of funds.

Ongoing training and support to the workforce is critical in improving client outcomes, and we have introduced a range of online training packages; designed to upskill the knowledge and skills of the volunteers, will enhance client outcomes. In addition, we have leveraged our engagement with vulnerable clients to secure state government funding to support people with utility hardship. This has enabled us to deliver intensive energy assistance to our ER clients.

Currently, any opportunities for innovation are contingent on identifying a funding source for innovation, for example, other grants provided by Federal, State or Local Governments and philanthropy. With funding to improve processes, adopt technology or deliver more innovative services, member agencies would have greater flexibility to adapt their services, without impacting the quantity of service delivery or allocating their resources.

8. What approaches could help fill FWC service gaps, including in food relief and in regional and remote areas?

In Victoria, the Regional Food Security Alliance (RFSA) plays a crucial role in addressing food relief challenges in regional and rural areas. The RFSA is composed of six regional Food Hubs, supported by over 840 volunteers, who play a

key role in rescuing and distributing food to 652 Emergency Relief services across 39 LGAs. This initiative is critical for sourcing and disseminating food, particularly local goods and produce, in regions that are either not served or underserved by statewide services such as Foodbank Victoria, SecondBite, OzHarvest, and Fareshare. Annually, the RFSA Food Hubs successfully rescue and distribute over 2 million kilograms of food. In addition to this, they provide warehousing and local distribution services for Statewide Food Relief services.

The RFSA's Food Hubs, located in Albury/Wodonga, Bendigo, Geelong, Warrnambool, Mildura, and Shepparton, match the size and impact of any statewide service. Their community-based and community-owned nature results in higher local community engagement and financial support, making them extremely cost-effective. These hubs have the flexibility to swiftly address local food security issues and emergencies, ensuring timely and relevant responses to the unique challenges faced by their communities.

To enhance the support for people in regional and remote areas, both in terms of meeting immediate needs and bolstering resilience in the face of disasters such as fires and floods, it is recommended that DSS funding be directed towards strengthening the operations of the Regional Food Security Alliance and its Regional Food Hubs. This approach would ensure more robust access to Emergency Relief services in these areas and improve the overall food security infrastructure.

Recommendation:

- DSS's Food Relief tender should be open, allowing a variety of providers, including Foodshares to apply. This inclusivity will ensure a broadened infrastructure for food relief efforts, particularly in regional and remote areas filling a critical service gap in the FWC program.

.....

Focus Area 4 - Workforce Capacity and Capability

9. How can the sector and department ensure the FWC workforce has sufficient capacity and capability to meet rising demand and the needs of vulnerable clients?

To address the increasing demand and effectively meet the needs of vulnerable clients, it is essential that the sector and DSS focus on both security and enhancing the capacity and capability of the FWC workforce. This requires a two-pronged approach: funding for workforce expansion and investment in comprehensive and ongoing training.

Much of the ER sector relies on volunteers to deliver the ER program across their communities. While the work of volunteers is commendable, the reliance on volunteer experience and availability means that operating hours can be limited, and the future of these services is not always sustainable. This underscores the need for increased funding not only to expand the workforce but sustainably manage demand. Expanding the workforce through adequate funding can provide the necessary workforce to address the increasing number and complexity of client cases. In addition to supporting the security of the sector, such investment would also have a significant impact on the well-being of women, with 83% of the welfare workforce comprised of women according to the Australian Institute of Health and Welfare.

Alongside workforce expansion, there is a critical need for ongoing professional development and training programs. This includes specialised training focused on addressing complex client needs and working with vulnerable populations. Ensuring the workforce also has support mechanisms for their own well-being is also crucial.

CISVic currently contributes to the sector workforce by facilitating student placements across our member agencies.

CISVic provides placements for around 20 students per year, with member agencies often providing placements for additional students. Doing so provides an opportunity for community and social services students to get invaluable hands-on experience prior to entering the workforce. Students also bring their insight to CISVic services, often approaching casework with the lived experience as a young person and student that can be particularly helpful for young clients seeking support.

Historically, initiatives such as the 2-day conference funded by the DSS Victoria branch, which was co-designed with sector representatives, have proven to be invaluable for professional development and networking. These gatherings, along with targeted training programs, offer vital opportunities for upskilling the volunteer workforce, enhancing their ability to respond to the evolving demands and needs of their clients.

Recommendations:

- DSS increase funding through the ER program to provide meaningful support to secure a community and social support workforce, improving employment opportunities for staff and quality of service for clients.
 - DSS funds and collaborates with sector representatives to develop workforce development opportunities. This collaboration should aim to upskill the workforce, equipping them to better respond to demand and the changing needs of the community. By co-designing these programs, the sector can ensure that the training is relevant, effective, and directly aligned with the challenges faced by the FWC workforce.
-

10. What are some of the ways the sector and the department could better support Aboriginal community-controlled and Indigenous-led organisations, multicultural organisations and disability providers to deliver FWC services?

While CISVic's consortia members may not specifically represent Indigenous, multicultural, or disability-led providers, it is important to recognise CISVic's significant role in supporting a diverse range of clients, including those from Indigenous, multicultural, and disabled communities. CISVic's position as an organisation that is not affiliated with any particular religious or ethnic group enhances its accessibility and appeal to a wide audience. This neutrality ensures that services are provided in a manner that focuses solely on client needs. Such an approach is particularly valuable in a multicultural context, where ethno-specific services might face limitations due to the complex relationships and dynamics between different cultural groups.

However, this acknowledgment does not detract from the fact that Indigenous, multicultural, and disability communities could benefit significantly from more tailored support. While CISVic successfully services clients across these groups, the unique and nuanced needs of these communities often require specialised knowledge and understanding that is best delivered by organisations rooted within these specific cultures.

CISVic recognises the importance of culturally specific training and resources for the FWC workforce. This training should focus on cultural sensitivities, the distinct financial challenges faced by these communities, and the creation of services that are tailored to meet their unique needs. Enhanced funding and resources dedicated to Indigenous, multicultural, and disability-led organisations can further empower these entities to deliver effective FWC services with greater capacity and reach. Collaboration and partnership with community organisations are crucial to delivering services that are culturally appropriate and fully accessible.

Such cooperative efforts ensure that the delivery of services is informed by a deep understanding of the community's specific needs and cultural contexts. It is also essential to recognise the additional resources and capacity required to serve diverse communities effectively, thereby supporting the development of infrastructure and programs that address these needs directly.

Ultimately, while CISVic plays a vital role in serving a broad spectrum of clients, there is a clear recognition of the value and necessity of supporting Indigenous, multicultural, and disability-led organisations. These organisations are best positioned to represent and reflect the views and needs of their communities, providing services that are not only effective but also culturally congruent and respectful of their clients' diverse backgrounds.

Recommendations:

- DSS should provide targeted funding to indigenous, multicultural and disability-led organisations to enhance their capacity to deliver FWC services.
 - DSS should support the development of culturally specific training and professional development resources for staff and volunteers within FWC organisations.
-

Focus Area 5: Place-Based Approaches

11. What are the advantages or challenges of a place-based approach to funding FWC services into the future?

Advantages of place-based approaches include the ability to tailor services to the specific needs and contexts of local communities, fostering stronger community engagement and ownership, and facilitating partnerships among local organisations for more coordinated service delivery. Challenges can involve the complexity of aligning multiple stakeholders with varying objectives, the need for sustained funding to support long-term initiatives, and the risk of creating disparities in service availability across different regions.

Place-based services are well-established hubs within their communities. Through human connection vulnerable people receive trusted social support, along with the practical support in a meaningful and effective way. This supportive approach enables people to open up and share the challenges of their situations.

12. Do you have experience working in place-based or shared decision-making models of service delivery? What are your reflections? Please provide examples.

CISVic agencies are place-based, and the importance and value of this are significant. Our member agencies are deeply embedded in their local community, with rich knowledge and networks enabling collaboration to address community-specific financial well-being challenges.

Reflections on such models typically emphasise the importance of genuine engagement with the community, flexibility in service delivery to adapt to local needs, and the effectiveness of leveraging local networks and resources.

Examples include building partnerships with local organisations, government and businesses to source donations and opportunities for collaboration and referral.

Our consortia model incorporates a level of shared decision-making of service delivery model. As consortia lead, we value the knowledge and experience of our partners. Our consortia provide a community of practice. At various times, we have asked consortia members to make decisions about things such as service delivery. Views and experiences are shared, options discussed, and consensus reached.

This collaborative decision-making process has ensured that a range of positions and perspectives are heard, creative thinking is promoted, and decisions are owned by the group.

Focus Area 6: Future Funding Arrangements

13. What would sustainable and more flexible and grants funding looking like for you?

Sustainable and more flexible FWC grant funding would entail multi-year funding arrangements to allow for long-term planning and program development. It would include flexibility to reallocate resources in response to changing community needs and emergencies, and provisions for capacity building to adapt to evolving service delivery models and occasional infrastructure upgrades. Additionally, funding should support innovation and pilot programs that address emerging financial well-being issues.

14. What are your reflections on the supplementary FWC funding for crisis events that has been allocated to the sector since 2020?

Since 2020, the allocation of supplementary FWC funding for crisis events has been a critical lifeline in navigating the immediate challenges posed by unprecedented situations, notably the COVID-19 pandemic. This funding enabled a swift response and the adaptation of services to cater to the surged demand. However, it is important to reflect on the necessity for such funding to be both predictable and seamlessly integrated into the regular funding models, ensuring preparedness for future crises.

During the COVID-19 pandemic and the extended lockdowns in Victoria, the depletion of our volunteer workforce presented significant challenges in service delivery at a time when community needs were escalating. Despite the availability of supplementary funding to address these needs, the diminished volunteer workforce posed constraints on our capacity to deliver ER services effectively. It was through the State Government's Working for Victoria initiative that we could recruit over 50 full-time staff to sustain ER operations.

This experience underscores the importance of supplementary funding during crisis events, alongside the critical need to consider the workforce implications for ER programs.

Moreover, the supplementary funding enabled our Financial Counselling programs to expand staff hours, allowing for a more robust response to the increased demand. This adjustment was crucial in providing timely and effective support to those in need.

The pandemic period also saw additional policy measures, such as increased Services Australia payments, which offered a temporary financial reprieve for many experiencing the adverse effects of low income. This increase in financial security was a welcome measure; however, with the return to normal payment rates, the security of this cohort has notably diminished. The additional funding during the pandemic, while necessary, was part of a broader policy framework that temporarily elevated financial security for vulnerable groups.

Until recently, there has been no increase in funding through FWC or other programs to assist individuals through the ongoing cost-of-living crisis. Post-pandemic, we have witnessed a significant surge in demand for services, highlighting when support has been most critical. This period of heightened demand underscores the need for a more sustained approach to funding and support, ensuring that services are not only reactive to crisis events but also proactively equipped to address the evolving challenges faced by vulnerable populations.

While supplementary FWC funding for crisis events since 2020 has been indispensable, the experiences and challenges encountered underscore the need for a more integrated, predictable funding model. Such a model should account for the dynamics of workforce availability and the broader policy environment, ensuring that services remain resilient and responsive in the face of both current and future crises.

15. How can FWC funding arrangements be structured in the future to better respond to local community needs, and time-limited surges in need?

To enhance the responsiveness of Financial Wellbeing and Capability (FWC) funding arrangements to local community needs and time-limited surges in demand, a multifaceted approach to funding is essential. Flexible funding models should be developed to allow for the swift reallocation of resources to areas experiencing immediate need. This could involve establishing dedicated emergency funds that can be quickly activated in response to crises, ensuring that support is timely and targeted.

Incorporating feedback mechanisms from community organisations into the funding models is crucial. This ensures that funding allocations are not only responsive but also informed by on-the-ground insights, allowing for adjustments that reflect the evolving needs of communities. Moreover, encouraging collaborative and partnership-based approaches in funding applications can significantly enhance the delivery of localised FWC services. By fostering cooperation among service providers, resources can be distributed more efficiently, and support can be extended in a more cohesive and comprehensive manner.

Focus Area 7: Improved Outcomes and Data

16. What are your views on the proposed FWC client and service-level outcomes and draft FWC Activity Program Logic? Are there outcomes your FWC services achieve that are not included? Can you see how your services align with the draft Program Logic?

CISVic supports the Draft FWC Activity Program Logic's emphasis on comprehensive outcomes that reflects a holistic approach to financial wellbeing. The focus on achieving measurable improvements in client's financial capabilities, resilience and access to support services aligns closely with our work. However, to fully align with and deliver the proposed logic, further support is needed to deliver sustainable outcomes.

For example, increased funding is required to build the capacity of agencies to deliver case management, referrals and other wraparound services in a way that is sustainable, and not reliant on volunteer hours, and collect appropriate data related to the outcomes detailed. As well, CISVic is supportive of measures that enable member agencies to work in a place-based model, with the flexibility to adapt services to meet the needs of the communities our services are embedded in.

Furthermore, we are concerned that the proposed outcomes in the short, medium and long-term do not account for systemic inequalities that have a substantial impact on a person's well-being. For example, clients may develop an improved knowledge of budgeting, credit options, and develop effective financial management strategies. However, effective financial management and emergency relief can only support a person so much if their cost of rent is increasing annually and their rate of Services Australia payments is not increasing with inflation or the cost of living. This is further complicated if a client is facing complex needs related to factors like their physical health, mental health or domestic violence. Unfortunately, this complexity is not accurately captured in the draft program logic.

17. Does your organisation capture data on unmet client demand? If so, what information do you capture and how could the department work with your organisation to report this data?

Before CISVic can accurately capture data on unmet client demand, it is essential that the Department of Social Services DSS and the sector collaboratively establish a clear definition of what constitutes unmet demand. Additionally, DSS should provide a mechanism that facilitates our unmet demand reporting. Collaborating with the department to report this data could involve the creation of standardized reporting formats and processes, ensuring the protection of data privacy and security, and leveraging this data to guide funding decisions, service planning, and the identification of gaps in service provision.

Measuring unmet demand presents several challenges. Firstly, demand for services is variable and clients often access multiple supports from the same service simultaneously, complicating the tracking of unmet needs. Operationally, surveying every individual who accesses our services is not feasible. Moreover, the subjective nature of demand complicates its measurement – what one individual considers a necessity may be beyond the reasonable scope of what we can provide. For instance, if a family of five seeks assistance and receives a bag of food, the question arises whether their demand has been met or merely addressed to a limited extent. This leads to a broader discussion on the difference between unmet demand and underservicing.

The operational hours of agencies also impact the measurement of unmet demand. While some agencies can afford to remain open five days a week for eight hours each day, others, may only have the capacity to operate for three hours daily. For these organisations, assessing unmet demand outside their limited operational hours is not feasible.

To gain insights into demand, we can utilise data from other sources, such as indicators of mortgage stress, the number of individuals receiving Centrelink benefits, and waiting lists for public and social housing. Often, services are required to distribute their limited resources more thinly to reach a broader audience, which

may lead to scenarios where not all needs are fully met. For example, an agency that typically provides additional vouchers during peak periods might be unable to do so due to increased demand throughout the year, resulting in families missing out. This scenario raises the question of whether this constitutes unmet demand.

CISVic members set annual ER budgets to ensure that money will last across the contracted period, but also across service delivery days, to maximise access. They also use a range of mechanisms to manage the flow of clients. Each has distinct ER Policies that inform the frequency of access by clients to the program, hours of operation etc.

Recommendation:

- DSS collaborate with service providers to develop meaningful metrics for measuring demands within DEX. However, it is crucial that DSS strives to avoid imposing burdensome reporting requirements on agencies, acknowledging the predominantly volunteer workforce.
-



CISVic

Community Information
& Support Victoria

Community Information and Support

1134 Glen Huntly Road, Glen Huntly VIC 3163

Call 03 9672 2000

Email admin@cisvic.org.au

Visit www.cisvic.org.au



@CISVictoria

Helping local communities

