

Capacity to submit

Community Information & Support Victoria (CISVic) is the peak body representing local community information and support services representing 60 community-based, not-for-profit agencies, staffed by over 250 paid staff and in excess of 2,500 volunteers.

Our local services assist people experiencing personal and financial difficulties by providing information, referral and support services including Emergency Relief, financial counselling and financial literacy. Our agencies provide free services to an average of 300,000 people every year.

We direct people who need help to local centres for services.

Helping those most in need Our main work is with the vulnerable and disadvantaged, including those on welfare payments, single parents, newly arrived, refugees, those with mental health issues, drug and alcohol issues and those experiencing family violence and family breakdown.

Emergency relief Many of our agencies can provide emergency relief, both financial and practical, by providing food, food vouchers, travel cards, petrol vouchers, assistance with household bills, rent, pharmaceutical supplies and telephone bills.

One voice for many We liaise with all tiers of government and other peak bodies, conduct training and undertake sound, evidence-based research. We are grateful to the State and Federal Governments for their funding support for core and special projects. We also have increasingly strengthening contact and cooperation with a range of peer organisations.

This is a vital interface for not just CISVic and its members but also for the community support sector as a whole, exploring more effective use of resources, skills and funding conduits. This has included partnerships to deliver important training to volunteers and community workers.

We also sit on a number of state & federal government groups including a State Ministerial Advisory Council and Federal Consultative Committee and other relevant peak body advisory groups, including VCOSS (Victorian Council of Social Services), the ultimate state community peak body.

CISVic agencies are embedded in their communities

The CISVic membership service model is placed-based and holistic in working with its communities and clients. The provision of supported services by CISVic member agencies is primarily directed at vulnerable and disadvantaged families and individuals who fall through service gaps. As generalist services providing a range of free, confidential and supported services, we connect vulnerable people and families to vital services and their communities.

Collectively, CISVic member agencies are the third largest provider of emergency relief (ER) services in Victoria, with forty-two (42) agencies delivering ER services across forty-eight (48) sites. We deliver ninety-three per cent (93%) of Federal government funding for ER directly to our clients. Significantly, ninety per cent (90%) of our ER clients are in receipt of Centrelink income, and seven per cent (7%) return more than five times for help.

Submission

CISVic welcomes welfare reform and commends the Minister for Social Services, Kevin Andrews in initiating this much needed review of our welfare system. This process is also an opportunity for adequacy, fairness and simplicity to be built into a system that supports the most vulnerable and disengaged individuals and families in our communities. The principles of adequacy, fairness and simplicity should be the overriding principles with which reform could be implemented. At the same time, the reforms should tackle issues that impact on the lives of individuals and families engaged with the welfare system such as: adequacy of affordable housing, payment rates that meet socially acceptable essential costs of living and targeted, integrated support for individuals to participate in employment.

We note that the Interim Report seeks to identify, amongst other things, an income support system that is 'affordable and sustainable now and across future economic cycles'. Whilst the current economic climate calls for some measure of fiscal and budgetary austerity, we believe welfare reform need to temper these imperatives with an adequate safety net that both resources and incentivise social and economic participation.

We therefore submit that as a first step:

- Single rates of Newstart and other Allowance payments (including student payments, payments to young people living independently of their parents) should be raised in parity with increases granted to pensioners in 2009 (currently \$50 per week);
- Payments for sole parents with school aged children should be increased to prevent the overall income support package for these families from declining as children grow older. This ensures that vulnerable families have the resources to attain best outcomes for their children;
- Student payments for adults (Austudy and Abstudy Payment) should be raised to the same level as other Allowance payments such as Newstart Allowance, to prevent students from falling into deprivation and poverty;
- Rent assistance should be substantially raised for those paying the highest rents.

Adequacy

The current system does not adequately support a basic safety net for the most vulnerable people in our communities, with some groups experiencing greater financial hardship than others. We therefore submit that:

- The base rates of social security payments for singles and couples should be adequate to meet socially accepted essential living costs, and should be available when needed. Therefore, young unemployed people should receive safety net payments for the same reasons that couples do. This will reduce the likelihood of singles falling into poverty, which in turn reduces the resources available to successfully secure employment and meet participation obligations;

- Income support should be benchmarked to broader community living standards, and indexed to movements in wages as well as prices affecting social security recipients;
- Supplements should meet additional major non-discretionary costs, including housing rents, costs of disability, costs of sole parenthood, costs of caring, and retention of a separate system of family payments for costs of children.

Fairness

In seeking fairness, we believe that focusing on current financial need and life circumstances is more effective than abstract notions of fairness which is prone to value-based judgements. Therefore, we submit that:

- People with the same financial needs should receive the same level of income support. Maximum payment levels should be based on current financial needs, taking into consideration costs of living and costs of meeting participation obligations;
- No group should be financially worse off as a result of reform, and those facing the greatest hardship should be better off. Individuals should not be moved from higher to lower payments when their financial needs are the same, and the system should be designed to prevent this from happening.

Simplicity

The payment system should be as simple and understandable as possible. The main goal of the simplification reform should be to ensure fairness and adequacy so that:

- A streamlined system ensures that people in similar circumstances receive the same level of payments with the same or similar eligibility requirements;
- Hurdles for people undergoing common life transitions such as employment, unemployment, mental and physical illness, different stages in the care of children or other family members should be removed.

Housing

Rent assistance and social housing should play complementary roles in addressing housing affordability for people on a low income. Rent assistance should be adequate and indexed to movements in rents, and all levels of governments must take a role in providing adequate public investment in social housing and reform incentives for private investment in affordable housing.

Employment

A comprehensive, integrated approach to tackling the barriers to employment ensures that individuals are adequately resourced and supported to successfully gain *and* maintain employment.

To improve employment incentives for people experiencing barriers to employment, the reform should consider:

- Base rates for social security payments should be targeted to people in financial need through income and assets test that provide leeway for modest levels of private income and assets, to ensure a fair return to paid work and which can be readily understood and complied with;
- Supplements should be less strictly income tested, and be provided in accordance with their purpose –for example, they should be applied to assist with extra costs associated with disability, which does not reduce once a person gains employment. In this way, supplements do not act as disincentives to work.

To increase engagement with employment for people with complex needs, the reform should ensure client-centred employment services and supports are put in place so that:

- Individuals are assisted to make informed choices of their employment service provider and the support services they need, and to be treated as active partners in charting their path to employment;
- Incentives and supports are prioritised so that employers are better able to engage with, support and recruit from individuals facing labour market disadvantage;
- Education and training are freely available, especially for those with less than Year 12 qualifications, and delivered in a suitable format for those facing economic disadvantage. This should be part of a comprehensive and tailored package that is provided in conjunction with employment assistance;
- Employment and support services, such as mental health, social housing and family support services are better integrated for individuals facing multiple and entrenched disadvantage;
- Joined up services support vulnerable and marginalised people with a view to assist clients to sustain and maintain employment well beyond the job placement phase;
- Childcare should be affordable, accessible and of good quality.

Complex-needs clients and those experiencing multiple deprivations are most effectively supported when welfare and other services that people receive are joined up. This enhances outcomes, reduces inefficiencies and duplication and ensures targeted support.

Mutual obligation

Participation requirements for individuals receiving social security should be reasonable, individually tailored and negotiated, predictable and designed to directly improve each person's prospect for paid employment. To this end:

- Requirements should be linked to realistic job opportunities, employment and other supports;
- There should be no requirements for those whose disabilities or caring responsibilities preclude employment for the foreseeable future;
- Requirements should be adjusted, and appropriate services and supports offered to people whose disabilities or caring responsibilities significantly reduces their employment capacity with emphasis on social participation (such as volunteering), education and training that realistically improves their opportunities to participate in the labour market;

- Participation requirements should relate directly to improving prospects for employment, and not impinge on individuals' personal and other obligations, such as social behaviour, care of children, requirements to undertake medical treatment. These activities are best regulated outside the social security system;
- Compliance systems should be based on engagement, not punishment and any penalties that are applied should not result in financial hardship.

CISVic submits that income management should – under all circumstances - be voluntary; and should never be applied to categories of people based on benefit type, location or race.

Role of civil society

Increasingly, volunteering is viewed as a pathway to employment, as a way to skill people from all walks of life and build their capacity to meaningfully engage with their community. Volunteering is a critical pathway for vulnerable people with limited skills towards greater and economic and social participation. Similarly, volunteering is a pathway to greater participation in the social and cultural life of a community, particularly for marginalised groups.

Civil society plays a crucial role in building community capacity and social capital. Government need to adequately resource and facilitate partnerships between corporates, philanthropies and the civil society sector to drive innovative solutions for disadvantaged communities. Whilst it is commendable that the Community Business Partnership focuses on 'supercharging' philanthropy in Australia, the role of corporates in giving, and collaboration across diverse sectors; we should not lose sight of the much needed strengthening of the Non-profit, community based sector. Philanthropy enriches our society, and should never replace the basic roles and functions expected of government.

The civil society sector traditionally provided opportunities for individual and collective giving through volunteering and other services to vulnerable people in our communities. Whilst innovative approaches to solving complex social problems point to collaborative efforts and partnerships, there is more to be done to ensure that new structures and relationships do not simply replace old practices and approaches. The work of the Community Business Partnership therefore need to look beyond simply the value of giving (for corporates, philanthropies and individuals) and its value for money (outcomes, returns on investments). Valuing intangible outcomes, such as social capital, cohesion and inclusiveness is just as important in making a difference in the lives of vulnerable and disadvantaged individuals, families and communities. In this regard, the voice of the civil society sector, nuanced and diverse as it is, is crucial in forging this new direction.

The collective impact approach, of cross-sector partners sharing a common vision and engaging in solving problems and channelling change, could lead to real improvements in outcomes for disadvantaged individuals and families. The non-profit, community based sector presently lacks the resources (financial, social capital, specialist skills) to engage in collective impact initiatives. By strengthening the sector through adequate resourcing, skills-transfer and outcome measurements, civil society can play a valuable role in effecting change in their communities.

Case story – Janet Brown

Janet is 40 years old and is married with children. Janet was recently dismissed from her job as an office manager. Janet believes that she has an unfair dismissal claim against her previous employer and had lodged a claim with Fair Work Australia. Janet's husband, John's mental health deteriorated five years ago when he was involved in a car accident that resulted in a diagnosis of severe depression and anxiety. John stopped working two years ago. The family sold their home because Janet could not maintain the mortgage repayments, and moved inter-state and are now renting on the private market.

Janet's son, James (14 years old) is exhibiting difficult behaviour at school, and have in the past, required intensive support to help him cope with his learning. Janet's younger son, Julian (7 years old) attends a special school as he has auditory learning issues. James was recently expelled from school due to his behaviour, which Janet attributes to the issues at home between her and John. Additionally, there is a high likelihood that James may have Asperger's Syndrome. Against this backdrop of family difficulties, Janet is desperate to find a job as she is the main income earner and the main carer for her children.

Janet is also experiencing difficulties with Centrelink payments as there was a discrepancy with regards to what her pay slip stipulated and what went into her bank account. This meant that Janet was unable to obtain the maximum level she is entitled to until this issue was resolved. This was further complicated by the fact that Janet's employer would not give a date for when they would be sending through a separation slip, and hence delays payments from Centrelink.

Transitional periods are difficult for families with complex needs. Compounded by lack of income, industrial relations issues, and her sons' challenging behaviour at school and at home, Janet is experiencing a level of financial and personal crisis that she never encountered before. The lack of support from John, and the lack of social and family network are threatening Janet's mental health and wellbeing. Furthermore, her relationship with John is rapidly deteriorating as Janet tries to cope with demands from her family, increasing debt and mounting pressure to find employment.

Janet attended a CISVic agency for help. A caseworker provided emotional support and advocacy regarding the issues Janet faces: such as legal, parenting, financial and emotional. Emergency relief was also provided when the family needed food and assistance with paying bills. The caseworker also arranged for a payment scheme for Julian to be properly assessed, as the school is now aware of the family's financial difficulties. Referrals were also made to other services for support, including family support, counselling (psychologist, financial counsellor), legal aid and social worker at Centrelink.

Throughout her engagement with the service system, Janet experienced barriers and hurdles including: experiencing difficulty contacting Centrelink, and after hours of advocating by the caseworker on behalf of Janet, matters remain unresolved; difficulties in advocating for herself in relation to the school; unable to access Legal Aid within the time frame required by Fair Work Commission to deal with her unfair dismissal claim.

Whilst the caseworker was able to provide material aid, support and advocacy on behalf of Janet at various points and could work with Janet toward resolution of her problems, there was an ongoing problem that could not be resolved. This was the level of payment from Centrelink –the basic safety net- that was provided to the Brown family. It is not sufficient to meet their living costs. Janet resorted to attending the agency for ongoing material aid (food, petrol vouchers) and support throughout this period.