



The Salvation Army

VICTORIA SOCIAL PROGRAMME AND POLICY UNIT

**SUBMISSION TO THE
VICTORIAN STATE
BUDGET 2012-13**

January 2012





The Salvation Army, Australia Southern Territory – Victorian State Council: State Budget Submission 2012-13

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The Salvation Army

VICTORIA STATE COUNCIL

17 January 2012

To Whom It May Concern:

The Salvation Army is a long established and major provider of social welfare and community services within Australia, having provided a significant array of services to the Australian community since 1880. In Victoria, The Salvation Army is one of the largest homelessness and housing, alcohol and other drug, and child welfare service providers in the state and operates over 300 social programmes and services state-wide.

The Salvation Army applauds the commitment to improve the lives of vulnerable Victorians made by the Victorian Government, thus far, through policies such as the *Victorian Homelessness Action Plan*, the *Whole of Government Victorian Alcohol and Drug Strategy* and the *Protecting Victoria's Vulnerable Children Inquiry*. However, much still needs to be done.

The release of the 2012-13 State Budget provides the Government an opportunity to continue its work towards improving the lives of vulnerable Victorians by capitalising on the successful elements of the social welfare and community services system. By building upon past experiences, innovative approaches can be developed to better serve Victoria's disadvantaged.

The Salvation Army would like to take this opportunity to bring to the Government's attention several key issues of concern which the organisation feels should be a top priority for this year's budget including:

- Housing Affordability and Homelessness,
- Alcohol and Other Drugs,
- Children and Youth,
- Cost of Living and Emergency Relief,
- Family Violence, and
- Workforce Capacity.

We trust that the information provided to you in this budget submission is of value and that it will assist the Victorian Government in achieving a fair and just society for all Victorians.

Yours sincerely

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1. HOUSING AFFORDABILITY AND HOMELESSNESS

BACKGROUND

Over the last decade, homelessness and housing policy has evolved from simply providing a roof over someone's head to recognising that homelessness is a multi-layered and complex experience which needs to be addressed in the context of the "whole person." A client's mental, emotional, physical and social needs must be met to maintain housing.

In the last year, the Victorian Government has initiated important steps towards improving the housing and homelessness system including beginning development of the *Victorian Housing Framework* and reviewing rooming house standards. Most notably, the commitment of \$76.7 million to combat homelessness in Victoria through the *Homelessness Action Plan* provides a great opportunity to build on the momentum growing in the housing and homelessness sector.

The Action Plan's focus on increasing partnerships, early intervention and prevention, and developing innovative approaches to service delivery builds upon existing strengths within the housing system. Significant work has been done to develop holistic services for clients which address education, employment, family violence, alcohol and other drugs (AOD), families and youth. It is important to maintain these achievements and ensure that the Action Plan's increased focus on early intervention and prevention does not come at the detriment of existing service provision.

ISSUES

System in Crisis

On a typical day in 2010/2011, 59% of people seeking to be newly accommodated were turned away from specialist housing services across Australia, while 74% of couples with children, and 64% of singles with

children, were turned away.¹ Many clients require a small amount of assistance to help them get through a tough time. However, the housing and homelessness system is currently operating above capacity and specialist housing services are so under resourced they must prioritise clients by need and often can only assist the most vulnerable clients. The inability to access timely assistance means people must become the “most vulnerable” before they receive assistance. This perpetuates a reactionary and crisis driven service system which could otherwise have prevented someone from entering into homelessness had the service had the resources to assist them earlier.

Recommendation 1

Increase funding to the housing sector to meet the overwhelming level of demand and improve capacity for services to run early intervention programs for those at risk of homelessness or newly homeless.

There is a shortage of crisis accommodation across the state, particularly in regional areas. For example, the only crisis accommodation options in the Hume and Loddon areas are hotels and caravan parks. In the Geelong area, the Salvo Connect Program, originally intended for men only, has been forced by lack of alternative options to accommodate women and children in potentially unsafe and inappropriate environments.

Recommendation 2

Place significant investment into the provision of crisis accommodation in regional areas.

Partnerships

Understanding pathways into homelessness is integral to successfully tailoring services to meet the needs of people experiencing long and short term homelessness. Pathways into homelessness are varied and complex and can be the result of physical illness, mental illness, substance abuse, physical abuse, family violence, job loss, or a combination of several factors.

¹ AIHW 2011. People turned away from government funded specialist homelessness accommodation 2010-11. Cat. no. HOU 260. Canberra: AIHW. Viewed 9 January 2012 <<http://www.aihw.gov.au/publication-detail/?id=10737420783>>.

To properly assist people experiencing, or at-risk of homelessness, these causes must be understood and partnerships developed to enable services to meet multiple needs. Homelessness services cannot operate in isolation.

The Victorian Government's commitment to partnerships in the Homelessness Action Plan is important. However, for too long, the cost and resources required to develop partnerships have failed to be recognised in funding models, leaving Community Service Organisations (CSOs) to piece together partnerships at their own expense. If effectual, coordinated, and cross-sector services are to be achieved, the financial cost and time associated with developing and maintaining partnerships must be recognised in government funding models.

Recommendation 3

Include the costs and resources associated with developing and maintaining partnerships in program funding.

Families

Families experiencing, or at risk of homelessness, continue to fall through gaps in the service system. The number one cause (48%) of families entering into homelessness is due to family violence.² As such, families initially access the service system through a family violence service. Upon exiting family violence crisis accommodation, families are referred to housing access points and are required to navigate mainstream housing service systems. Due to shortages in appropriate accommodation options for families, families in this position often become homeless or end up in inappropriate and unsafe accommodation in rooming houses. Significant work has since been done to help family violence and homelessness services effectually link together to improve outcomes for families, as demonstrated by the programs below. The momentum generated by existing programs cannot be lost.

The Accommodation Options for Families (AOF) program, run in partnership by Hanover Welfare Services, VincentCare, The Salvation Army Social Housing and Support Network (SASHS) and HomeGround, works with families through referral and brokerage to ensure they have immediate

² SAAP National Data Collection Annual Report 2009-10

access to stable and safe, short to medium term housing. Service providers actively foster good relationships with local real-estate agents to assist clients in accessing private rental. As the primary homelessness prevention and early intervention response for families in Victoria, and the only program focused on keeping families and children out of unsafe rooming houses, the program fills an important gap in housing service delivery and has successfully assisted 169 families and 416 children, with the majority of families being placed in transitional housing and private rental properties, since July 2010.

Recommendation 4

Renew and expand funding for the Accommodation Options for Families program, which currently is only funded to the end of July 2012.

The Supporting Families at Risk (SFAR) program, run by The Salvation Army Pathways program in the West Hume Region, works with families with complex needs to help them maintain housing and prevents them from re-entering the services system. The program has one EFT and works with a low number of extremely complex families. The program focuses on the family context and works with all members of a family to address each member's individual needs as well as working with the family dynamic. This has been an innovative approach to addressing family homelessness and has achieved considerable success in the area by assisting 11 clients in the 2010-11 financial year with an average of 182 days spent assisting each client. Seven of the 11 clients assisted are stably housed and no longer at risk of homelessness.

Housing Affordability

The number of people at risk of, and experiencing, homelessness continues to increase as housing affordability and costs of living in Australia continue to spiral out of control.

CSOs in growth corridors are experiencing a marked increase in demand for their services, as disadvantaged groups and families are pushed out from metropolitan areas by rising costs of living and forced to relocate long

distances from urban service centres to find affordable housing. This can have the unintended consequences of social isolation, family stress, unemployment and welfare dependency. Indigenous people, sole parents, long-term unemployed people, people with disabilities and older Australians are being particularly affected by decreasing affordability. Lack of supportive infrastructure in growth corridors and regional areas compounds their disadvantage.

Recommendation 5

Expand funding for services in growth corridors to reflect the increase in service demand, as well as the additional costs of delivering services outside of metropolitan areas.

The private rental market holds enormous potential for the housing and homelessness service sector, but access for clients remains limited. Currently, one in five low to moderate income renters are in housing stress (over 65,000 households) and one in every 20 Victorians (over 109,000 households) pay over 50% of their income in housing.³ Whilst it is recognised that private rental market regulation is a Federal issue, The Salvation Army urges the Victorian Government to advocate for improved private rental affordability and stability.

CSO engagement with the private rental market has increased dramatically in the last several years with specialist housing services starting to operate private rental and brokerage programs. SASHS's Private Rental Program assists clients in accessing and maintaining private rental by researching available properties, seeking letters of reference, and coaching clients on personal presentation skills, amongst other service activities.

The Salvation Army Crossroads operates the Hume Families Project which seeks to place families directly into private housing. The program works with clients to build their capacity through relationships and community involvement. Crossroads negotiates with real-estate agents to obtain access to properties for clients, and usually covers the majority of the lease with

³ VCOSS State Budget Submission 2012-13. *Stronger People Stronger State*.

assistance tapering off as the family's capacity to maintain private rental on their own increases and they achieve economic and social independence.

Programs focusing on increasing access for vulnerable clients to the private rental market are achieving extremely positive outcomes for clients and significantly reducing clients' exposure to homelessness and the public housing system. The Salvation Army strongly advocates for increased investment in programs focussing on improving access to the private rental market for vulnerable clients.

Recommendation 6

Advocate to Federal Government for improved private rental affordability and stability.

Recommendation 7

Increase investment in private rental brokerage programs.

2. ALCOHOL AND OTHER DRUGS (AOD)

BACKGROUND

The affects of drugs and alcohol misuse permeate all aspects of the social service system. It is estimated that as many as 34% of homeless clients seeking specialist homeless services in Victoria suffer from both alcohol or drug misuse and a mental health issue.⁴ Whilst alcohol has been considered to be closely linked to mental health for some time,⁵ substantial data collected by services on the ground suggests that alcohol and drug misuse are also significant contributors to family violence and child welfare concerns.

⁴ Homeground. Talk by Steven Nash re: Elizabeth St Common Ground at Integrating Services to Reduce Homelessness Nov 2011.

⁵ *New research highlights the links between alcohol and mental health.* Roy Morgan Research. http://www.salvationarmy.org.au/about-us_65047/media-centre/current-media-releases/the-links-between-alcohol-and-mental-health.html?s=1001

The prevalence of alcohol and drug misuse across all social service sectors highlights the urgent need for cross sector partnerships between CSOs, as well as all levels of government. Innovative programs such as Headspace and the Homelessness Drug Dependency Program are examples of how a cross sector approach can successfully address the varied and complex nature of AOD. More initiatives of a similar nature need to be supported.

In response to the call for cross sector partnerships, the Victorian Government has begun to develop a *Victorian AOD Workforce Development Strategy* to address the need for a skilled workforce capable of working with client's complex needs. In addition, the announcement of the *Whole of Government Victorian Alcohol and Drug Strategy*, with a commitment of \$188 million to improve AOD prevention and treatment services, is an important step towards providing more holistic care. The continued emphasis on "whole of government" services is warmly welcomed, as coordinated responses across government departments and service sectors are the only way holistic, client focused services can be provided.

ISSUES

Partnerships

Given the prevalence of AOD issues across service sectors, partnerships must be the future of service delivery. However, the issues of cross sector partnerships has long been on the public policy agenda but has achieved limited results. This is largely because significant system reform, including enabling agencies to make robust cross-sector relationships and develop innovative services, requires time and money. A significant reform of the AOD system, therefore, cannot be expected to be cost neutral if it is to be successful. Many CSOs are currently already operating at capacity and are unable to meet the growing demand for their services. These agencies do not have the capacity to innovate, as such exercises take away from immediate service delivery. In addition to funding for agencies to develop innovative approaches to treatment and build partnerships across sectors, funding for day-to-day activities must be reviewed to reflect the true cost of service delivery and the unit costs across treatment types. Real funding must be made available to allow agencies to restructure and develop new programs while simultaneously maintaining quality service delivery to clients.

Recommendation 8

Recognise within future funding models the costs and resources associated with developing and maintaining partnerships.

Recommendation 9

Review unit costings and funding to agencies for day-to-day operating costs as per the Victorian Alcohol and Drug Association's (VAADA) 2010-11 budget submission.¹

Harm Minimisation

The Victorian Government's Alcohol and Drug Strategy places a strong emphasis on harm minimisation. While The Salvation Army strongly supports harm minimisation, The Salvation Army is concerned about the large emphasis placed on supply reduction as a means to minimise alcohol and drug abuse in Victoria.

There is currently very little conclusive evidence regarding the effectiveness of many supply reduction measures on the demand for, or abuse of, drugs and alcohol. An over investment of resources in supply reduction measures should therefore be cautioned against.

As an alternative, The Salvation Army would advocate for a heightened focus on treatment, post treatment and prevention programs as a means to reduce demand and bolster harm reduction.

Recommendation 10

Ensure an appropriate emphasis on treatment, post treatment and prevention services for AOD clients rather than an emphasis on supply reduction strategies.

Pharmacotherapy

According to the Department of Health and the Australian Institute of Health and Welfare, 27,000 Victorians use alcohol and drug treatment services every year and an additional 13,000 people receive pharmacotherapy treatment.⁶

Pharmacotherapy treatment is one of the most successful treatment interventions for problematic or dependent illicit opioid users, namely heroin users,⁷ and can result in a complete substitution for illicit opioid use.

However, access to pharmacotherapy services across the state remains limited. There is a chronic shortage of GPs and pharmacists willing to participate in pharmacotherapy programs, resulting in clients being required to travel out of their local area to access services on a daily basis. For many clients on government income support, the cost of travelling to access their medication daily proves to be unaffordable and unsustainable.

In addition to poor access, the costs of dispensing fees for pharmacotherapies have been cited as the single greatest obstacle to retention in treatment.⁸ Dispensing fees total approximately \$70 a fortnight (\$5 per day). For clients on fixed low incomes, the cost of dispensing fees can mean choosing between their medication, food or rent. Clients in such a position often discontinue their pharmacotherapy programs and are at high risk of resuming illicit opioid use.

The inability to pay dispensing fees also creates tension between pharmacists and clients who may accumulate considerable debt in dispensing fees. Pharmacists are already under pressure to meet demand and deteriorating relationships with clients is a primary reason for involuntary discontinuation of treatment. Removing dispensing fees for

⁶ Victorian Department of Health. *Whole-of-government Victorian alcohol and drug strategy: Community Consultation*. 2011

⁷ James Rowe. The Salvation Army Crisis Services and RMIT University. *A Raw Deal?: Impact on the health of consumers relative to the cost of pharmacotherapy*. p 1

⁸ James Rowe. The Salvation Army Crisis Services and RMIT University. *A Raw Deal?: Impact on the health of consumers relative to the cost of pharmacotherapy*. p 1

methadone would greatly increase clients' ability to access and continue participation in pharmacotherapy programs.

Recommendation 11

Subsidise the cost of dispensing pharmacotherapy medication to clients.

Regional Areas

Access to AOD treatment and post treatment services in rural and regional areas remains limited. The added costs of service delivery in rural and regional areas remains unrecognised in current AOD funding models, limiting the ability of services to recruit and retain highly trained staff and offer quality services.

Pharmacotherapy services in regional and rural areas remain particularly scarce. The Salvation Army applauds the Victorian Government's commitment to expand pharmacotherapy programs across Victoria and recognises the commitment to expand needle and syringe programs in Footscray and Frankston. However, the need for these services is great in regional and rural areas and more needs to be done. The Salvation Army fully supports all recommendations made by VAADA in its 2010-2011 Victoria State Budget Submission⁹ regarding pharmacotherapy services, particularly in regards to rural and regional areas.

Recommendation 12

Review funding models for rural and regional AOD services to address the added costs of service delivery in regions.

Recommendation 13

Increase the expansion of pharmacotherapy services in rural and regional areas as a matter of priority.

⁹ VAADA. *State Budget Submission 2010/11*. September 2009.

3. CHILDREN AND YOUTH

BACKGROUND

Most young people live healthy, happy, and productive lives; however, youth from Aboriginal and Torres Strait Islander, refugee, and low socio-economic backgrounds remain vulnerable and are at high-risk when making the transition from education to employment and independent living.

Children in Out of Home Care are also highly vulnerable and often have a number of complex issues. Since 2005, the number of children in the Out of Home Care system has increased by 51.5%, with Aboriginal children ten times as likely to be in Out of Home Care nationwide.¹⁰ Children in Out of Home care generally suffer poorer outcomes in health, education, development and general wellbeing when compared to their peers and are overrepresented in homelessness services. As many as 40% of young people who exit care will experience homelessness within the first 12 months of leaving care.¹¹ The child protection system is obviously failing children and failing to prepare them for adult life. Poor outcomes for care leavers must be addressed.

The Victorian Government has taken important steps in addressing some of the most overarching failures of the child protection and out of home care systems, including launching the recent *Protecting Victoria's Vulnerable Children Inquiry* and developing the workforce reform *Protecting children, changing lives: Supporting the child protection workforce*. However, government initiatives to recruit and retain Child Protection workers are predominately aimed at public servants, despite the issues of staff recruitment and retention within the Child Protection system extending beyond the Department of Human Services (DHS) and deeply affecting CSOs. The Child Protection System relies heavily on CSOs to provide Out of Home Care through foster care, residential care, and intensive case management support. Maintaining the workforce for CSOs is also critical to

¹⁰ Child Rights Taskforce May 2011. 21011 Child Rights NGO Report Australia. *Listen to Children: Executive Summary*. P 2

¹¹ Homelessness Australia Fact Sheet. *Homelessness and Young People*. Citing the CREATE Foundation Transitioning from Care report.

the future capacity of the Child Protection System and the ability to improve outcomes for care leavers.

ISSUES

Out of Home Carers

There has been a progressive decline in the number of people applying to become volunteer carers. As the complexity of children's issues increases, Home Based Carers (foster carers) are expected to take youths with increasingly difficult behaviours into their homes and invest substantial amounts of time and resources into supporting the young person. Care Giver Payments do not reflect the cost of caring for these youth and recruitment has become increasingly difficult.

Home based care for adolescents has reached a particularly critical point due to the high level of complexity in caring for vulnerable teenagers. It has become difficult to recruit adolescent carers and to place adolescents in homes, which has affected services' ability to meet placement targets. Residential care is not appropriate for all teenagers; however, unless carers can be properly recruited, reimbursed, and supported, residential care will become the only option.

Recommendation 14

Urgently review the level of reimbursement paid to foster carers. Care Giver Payments must be increased to reflect the true cost of caring for vulnerable youth.

- **At a minimum, The Salvation Army advocates for a care giver rate to be based on the Australian Institute of Family Studies calculation of the real costs of raising a child in Australia.**

DHS has funded a number of advertising campaigns to encourage people to become carers. While this has managed to barely maintain the level of recruitment for carers of children, it has failed to provide the required number of carers for adolescents. Promoting the importance of becoming a carer and reviewing care giver payments, particularly for adolescents, must be a priority.

Recommendation 15

Develop a sustained public awareness campaign similar to “Slip, Slop, Slap” to inform the general public of its responsibility towards child protection and to promote the concept of caring for children, particularly adolescents, as a worthwhile and rewarding community service.

Each year The Salvation Army loses the service of carers who choose to keep an adolescent in their care after they turn 18. Whilst this is a fantastic outcome for the young person, the carer loses all financial support for their care and the support available to the adolescent is reduced. The loss of financial support often results in the carer being unable to continue with future placements and increases pressure on the home based care system, as future placement options are reduced for other children. The *Child Youth and Families Act* stipulates that the Minister and DHS can continue to have responsibility for an adolescent up to 21 years of age. The Salvation Army advocates for carer payments to be extended to the age of 21 to reflect the Act.

Recommendation 16

Extend funding to carers who continue care for adolescents to the age of 21 to reflect the continuation of the State’s responsibility to be a good parent as stipulated in the *Child Youth and Families Act*.

Residential Care

Maintaining highly qualified staff for residential care is also becoming increasingly difficult with residential care units experiencing high turnover rates similar to that of DHS Child Protection workers. Residential care units are expensive to maintain and all organisations currently operating these units subsidise the provision of care significantly in an effort to retain quality staff for the units. A review of funding levels for residential care needs to be undertaken.

Recommendation 17

Review the level of funding provided to agencies to run residential care units to include capital and maintenance costs as well as additional costs tied to specific client needs.

Case Management

Feedback from youth in the Out of Home Care system consistently indicates that inconsistent case management has a significant negative impact on their experience in care and adversely affects their capacity to form meaningful relationships.¹² Currently, most Out of Home Care agencies are funded to provide generalist case management to 50% of the children and youth placed in the agency's facilities, with the remaining 50% managed by DHS. Community organisations have a greater level of staff stability than DHS. Thus, transferring 100% of the case management work for children and youth placed in an agency's care would not only minimise the case load of DHS Child Protection workers, but it would ensure "unallocated" youth have access to consistent case workers familiar with their circumstances.

Recommendation 18

Fund providers of Out of Home Care services to manage 100% of the case management work for children and youth under their care.

Therapeutic Care

Models of therapeutic foster and residential care have been trialled for the past three years and have been shown to have a positive impact on children and youth in the Out of Home Care system.

The therapeutic assessment model functions on the basis that all children and youth entering care through a statutory service are at risk of harm, have suffered acute trauma, and are in need of a timely and comprehensive assessment that identifies the physical, mental, and emotional health of a child as well as the behavioural, cognitive and educational level of the child.

¹² The Salvation Army. *Submission to the Protecting Victoria's Vulnerable Children Inquiry*. P 9

Care is designed to be holistic based on an understanding of trauma theory, interpersonal neurobiology, complexity theory, inclusiveness and resilience. Assessments reoccur regularly to evaluate current and changing needs.

The soon to be released evaluation of the Therapeutic Care Pilot by Verso Consulting identifies clear benefits of the therapeutic approach and a rationale for extending this approach more broadly. The Ombudsman has also recommended an expansion of the therapeutic care model across the state to all types of Out of Home Care.¹³

Recommendation 19

Extend therapeutic models of assessment and care across the state to all Out of Home Care services.

Education

In Victoria's regional areas, one in every five 20-24 year olds left school at or before Year 10.¹⁴ ABS and Victorian Department of Education and Early Childhood Development data reports high unemployment and disengagement rates in regional areas and that school leavers struggle to find jobs upon completing their studies. Education outcomes for youths exiting the Out of Home Care system are even poorer with less than half (44%) of 17-year-olds attending school.¹⁵ Children in Out of Home Care have suffered significant trauma and commonly have developmental delays or learning disabilities which directly contribute to poor school achievement, low literacy rates, and a general lack of skills. Unemployment amongst care leavers is high.

The Making Links Mentoring program is managed by Strathbogie Shire and The Salvation Army Pathways and works with young people aged 15-25 years in the Strathbogie and Greater Shepparton Shires who have a disability (physical, intellectual or other). The program aims to encourage

¹³ Ombudsman Victoria. *Own motion investigation into Child Protection – out of home care*. May 2010

¹⁴ ABS Census Data 2006: VIC Rural Balance Cat No. 2068.0

¹⁵ Anglicare and Wesley Mission Australia. *CIAO: Care-System Impacts on Academic Outputs*. June 2010. Referencing: CREATE Report Card on Education (CREATE Foundation, 2006)

these young people to complete their education and obtain work by matching them with mentors who act as positive role models and help young people explore their personal interests, gain workforce skills, and explore education and employment options.

Making Links is the only youth mentoring program designed for young people with a disability or learning difficulty in the area and has demonstrated considerable success with participants securing apprenticeships, traineeships, work experience, and casual employment. Young people with a disability suffer extreme vulnerability and have a high risk of becoming unemployed and homeless later in life.

This program is an example of a preventative program successfully targeting high-risk youth whilst still in education before they reach a period of crisis and contact mainstream services. A similar approach may be useful for other high risk youth, including care leavers, with learning disabilities.

Recommendation 20

Further explore and expand flexible learning and mentoring programs as a way to positively intervene in a high-risk child's or adolescent's life before they reach a point of crisis.

Exiting Care

Systemically the transition for young people from care into the community is not well managed. Young people in the Out of Home Care system have experienced significant trauma and usually have significant developmental delays, resulting in poor education outcomes and an inability to live independently. Upon leaving care, some youth may return home with little support. Other youth are expected to live independently by the age of 16 or 18. In a world when many young people live with their parents until the age of 25, it is unreasonable to expect youth exiting care to be able to adequately fend for themselves in an adult system.

Initiatives designed to continue support for children leaving Out of Home Care must be put in place to help children transition from care into independent living as an adult. "Continuing Care" is a program response

gaining popularity with CSOs and works to actively support care leavers after their 18th birthday. The basics of such a model have been developed, however new funding and a new way of thinking is required to successfully establish this program and improve planning for youth exiting care.

Recommendation 21

Further develop the “Continuing Care” model.

4. COST OF LIVING AND EMERGENCY RELIEF

BACKGROUND

The number of people accessing Salvation Army Emergency Relief Centres has increased by approximately 22% since last year.¹⁶ Sadly, there has been roughly a 49% increase in the number of people who were turned away from Emergency Relief provides across the nation without being assisted.¹⁷

The growth in demand is reflective of a change in the nature and complexity of issues driving people to seek emergency relief. Clients of emergency relief services are no longer only the traditional cohort of disadvantaged Australians experiencing generational poverty, but now include a growing number of people experiencing situational poverty. This new cohort of people is particularly vulnerable, as they have little experience in accessing services and often delay approaching support agencies until they are in total crisis and at risk of becoming homeless.

Drivers of situational poverty include the flow-on consequences of the Global Financial Crisis (GFC), rising costs of living, and an ageing population. These drivers are ongoing and will continue to have an impact for years to come.

¹⁶ Australian Council of Social Services – The Australian Community Sector Survey 2011 – Released 15 August, 2011.

¹⁷ Australian Council of Social Services – The Australian Community Sector Survey 2011 – Released 15 August, 2011.

The Government has taken active steps in assisting Victorians to manage the rising costs of living including reducing stamp duty for first home buyers and seniors and extending electricity bill concessions. However, the root causes behind the rising costs of living are unlikely to abate and appropriate planning needs to be undertaken to ensure emergency relief services have the capacity to successfully intervene at the appropriate point when individuals first start to access services.

ISSUES

The Victorian Council of Social Service (VCOSS) has done substantial work on the effects rising costs of living have on vulnerable Victorians and has made a number of recommendations in its 2012-2013 Victorian State Budget Submission¹⁸ on ways the Victorian Government could ease the financial burden of these costs. The Salvation Army supports these recommendations.

Recommendation 22

Adopt all of VCOSS's recommendations relating to increases to the cost of living.

In addition to the issues VCOSS has outlined, The Salvation Army feels that it is not enough to simply hand out financial assistance to those in need. The Salvation Army recognises that some individuals, particularly those on low fixed incomes, will always need financial assistance. However, many emergency relief services have become “revolving door” services which assist the same clients again and again. In light of the rising demand for emergency relief, this “revolving door” characteristic of service delivery is not sustainable and needs to be minimised. A proactive approach is needed to help clients who have the capacity to manage their own finances to move away from dependency on emergency relief assistance.

The Salvation Army's Doorways model is aimed at providing a supportive environment to clients accessing emergency relief services that goes beyond handing out financial assistance. While it is recognised that poverty will never be reduced unless the structural problems are addressed, the Doorways model seeks to address some of the underlying causes of poverty

¹⁸ VCOSS. *Stronger People Stronger State: State Budget Submission 2012-2013*.

by encouraging clients to participate in one-on-one case management and financial counselling services. By attempting to address issues of financial planning and management for households and helping clients access mainstream services like education and employment, the Doorways model seeks to minimise the “revolving door” of emergency relief and help clients build their capacity and confidence so they no longer need to seek these services.

Financial counselling provided through the Doorways model has been shown to be of considerable benefit to clients with a number of clients opting to utilise these services reducing their dependence on emergency relief. However, the cost of providing financial counsellors is a significant cost to The Salvation Army.

Recommendation 23

Fund additional financial counselling services in partnership with the Federal Government to better enable clients to take control of their own financial situation.

5. FAMILY VIOLENCE

BACKGROUND

Over the years, the Victorian Government has made incredible improvements in the policy response to family violence, particularly in regards to the roles of Victoria Police and the court system.

The development of the *Police Code of Practice for the Investigation of Family Violence*, as well as the establishment of a Family Violence Liaison Officer at each police station in Victoria has dramatically improved the interactions between victims of family violence and the police, resulting in increased reporting rates.

The passing of the *Family Violence Protection Act 2008* brought about a fundamental shift in court responses to allow women and children to remain in the home and the perpetrator be removed for the safety of the family. The establishment of the Specialist Family Violence Services and the Family Violence Court Intervention Project also drastically changed the traumatising experiences of women who had to appear in court.

Whilst these efforts have markedly improved the family violence system and increased the reporting of family violence, there still remain issues which need to be addressed including the increased pressure put on CSOs as a result of increased reporting and referrals, the challenge of finding crisis accommodation for women immediately fleeing violence, and the challenge of finding more permanent housing for women who have had to leave the home due to violence.

THE ISSUES

Increased Referrals

Due to improved police practice, women no longer remain as terrified to report instances of abuse, and reports of family violence have increased substantially, in some cases quadrupled. Improved reporting rates for family violence are a fantastic outcome; however, the increase in reporting has resulted in a substantial rise in the demand for family violence services, which many services can no longer meet.

Most family violence services, particularly in regions, are currently operating above capacity. In Gippsland, Salvation Army Family Violence services have operated well above full capacity for over two years, in some cases meeting their annual targets in the first quarter of the financial year. However, despite meeting funding targets and data demonstrating an overwhelming increase in demand, no additional funding has been provided.

Agencies cannot continue to operate at this level and do not have the capacity to offer sufficient counselling, outreach and case management to clients with the current amount of funding. Funding levels must be reviewed to reflect current demand.

Recommendation 24

Increase funding to family violence programs across the state to meet increased demand, particularly for counselling, support to women and children, outreach and case management, and men's behavioural change programs.

Crisis Accommodation

The increases in demand for family violence services have also resulted in a severe shortage in safe crisis accommodation for women and children immediately fleeing family violence.

Designated motel rooms reserved for family violence victims are over used, resulting in some families being placed in inappropriate and unsafe accommodation in the midst of crisis. It is a constant struggle for services to find safe and secure accommodation for these families. Funding to increase crisis accommodation stock must be provided.

Recommendation 25

Increase crisis accommodation stock across the state that is appropriate for women and children immediately fleeing domestic violence.

The Safe At Home program enables women to escape family violence while maintaining safe and sustainable housing in their own home. While it is recognised that not all women can safely stay in their home, the program has eased pressure on family violence crisis accommodation and has achieved better outcomes for families escaping family violence by maintaining their community connections and ensuring more families do not fall into homelessness.

Families participating in the Safe At Home program continue to need support to help them deal with the emotional impacts of family violence and ensure their home can keep them safe. The ongoing needs of families participating in the Safe At Home program must be recognised to ensure they have the support necessary to keep them safely in their home and are able to become socially and economically independent of the service system.

Recommendation 26

Increase funding for the Safe At Home program to ensure women who are able to safely remain in their home following family violence receive the support they need to become socially and economically independent of the service system.

Long Term Housing

Women and children fleeing domestic violence are drastically over represented in the homelessness population in Victoria. This is largely due to a traditional emphasis on a short term crisis response to family violence that does not recognise family violence is a complex issue and victims need ongoing support.

Women and children who are forced to leave their home and seek emergency crisis accommodation are currently only funded by DHS to stay in crisis accommodation for up to eight weeks. Upon exiting family violence crisis accommodation they are referred to mainstream homelessness services and required to navigate the service system. Frequently, women fleeing domestic violence have little knowledge of the service system. As a result, they lack the skills and confidence to successfully manage their finances, find work, or sustain a private rental. The presence of children only further complicates their ability to be housed in transitional or public housing. The short term nature of family violence funding models limits family violence services' capacity to support families on a long term basis until they are socially and economically independent. If outcomes for families escaping family violence are to be improved long term support must be provided.

Recommendation 27

Fund family violence services to provide case management to families escaping family violence to assist them in navigating the mainstream service system as they exit crisis accommodation and gain economic and social independence.

Many women fleeing family violence have low to moderate needs and with appropriate counselling, financial counselling, and pathways to education and employment would be able to access and maintain private rental as a long term housing option. However, pathways into training, employment and financial independence currently do not exist for victims of family violence due to the short amount of time family violence services are funded to work with clients and the inability to link clients into mainstream services quickly.

The Access to Private Rental Program run by The Salvation Army's Kardinia Women's service is a highly successful "early intervention" program that provides support and brokerage to women who are in crisis but would be able to maintain private rental as a permanent housing option with a little support. The system's current inability to properly exit victims of family violence into sustainable and safe housing and put them on a path towards financial independence is resulting in vulnerable women and children suffering homelessness and becoming dependent on welfare. This program could be expanded to significantly increase client's ability to find permanent, safe and sustainable housing after they have fled family violence.

Recommendation 28

Fund the costs of maintaining partnerships across service sectors in future funding models to facilitate pathways for family violence victims into financial independence, education, employment and private housing.

Culturally and Linguistically Diverse (CALD) Communities

Although, The Salvation Army cannot speak for all family violence service providers in the state, Salvation Army services have experienced a marked increase in the proportion of clients from CALD backgrounds. In the Hume and Whittlesea regions, 48% of clients at The Salvation Army Mary Anderson Family Violence Service were from CALD backgrounds, with 30% of these clients being from African and Middle Eastern backgrounds.

Women and children from these communities are particularly vulnerable as they may experience language and cultural barriers and have no knowledge of how to access the service system. In addition, a number of CALD clients have large families, are very difficult to house, and do not qualify for Government assistance. The need for services to provide interpreters, legal advice, and address clients' visa, immigration, and financial needs places significant strain on services' resources and time.

The Salvation Army Kardinia Women's Service in Geelong supports women of Indigenous and CALD backgrounds who experience family violence to improve access to court proceedings through the Intensive Case Management CALD Program. However, the program is significantly underfunded and does not have the capacity to form effective partnerships with the relevant sectors needed to supply these extra services. As a result, the program is unable to adequately support to these women.

As Victoria's CALD population increases, this funding gap must be addressed.

Recommendation 29

Recognise the growth of CALD communities and increased costs to services in supporting these communities by funding services to provide interpreters, legal services and other services specific to CALD communities.

6. WORKFORCE CAPACITY

BACKGROUND

The recruitment and retention of highly qualified and skilled staff continues to be a significant challenge for CSOs. Although CSO workers are making a significant contribution to the health of the community through the complex and challenging work that they do, funding does not reflect the value of this work, with remuneration for CSO workers still well below that of public servants performing similar work.

In the past five years, workers within the sector have endured a substantial rise in job-stress, occupational disease and injury as a direct result of increased exposure to work-related psychosocial hazards.¹⁹ The incredibly mentally and emotionally demanding nature of CSO work, coupled with the traditionally poor pay, has significantly impacted services' ability to deliver quality and sufficient services to clients.

Pay equity for the community sector is particularly salient given Fair Work Australia's Equal Remuneration Case. The resulting Federal Government's pledge of \$2 billion over the next seven years, and the State Government's commitment of \$200 million over the next four years, to address the remuneration gap is a welcome recognition of the critical, but traditionally undervalued, work undertaken within the community service sector. However, there remain concerns that this level of funding will not sufficiently cover cost increases to CSOs and will not prevent the need for services to be reduced or closed.

¹⁹ LaMontagne AD, Keegel T & Vallance D (2007) *Protection and Promoting Mental Health in the Workplace: Developing a Systems Approach to Job Stress*, Health Promotion Journal of Australia 2007, 18, 221-8 (citing Mamot M, Siegrist J & Theorell)

THE ISSUES

Pay Equity

The Salvation Army is extremely concerned about the impact the Fair Work Australia's Equal Remuneration Case will have on service provision if the increase in remuneration for staff is not adequately funded by Government. CSOs such as The Salvation Army are already seriously underfunded with current government funding contracts only providing 70% of the true cost of service delivery. In addition, increases in petrol and utilities have increased CSOs' operating costs significantly and has already placed considerable financial strain on CSOs. Whilst the funding committed by both Federal and State Governments is welcomed, there is significant concern that it will not sufficiently cover the increases in remuneration and CSOs will be forced to cut service delivery to meet costs.

It is the Federal Government's position that the State and Federal Governments' total "share" of funding for the sector should be approximately 60% of increased remuneration, with the remaining 40% of increased remuneration being covered by CSOs.²⁰ In Queensland, remuneration increases were as large as 38%²¹. Assuming that national remuneration increases will be similar; this leaves CSOs responsible for a significant proportion of wage increases for Government funded positions, 100% of increases for CSO funded positions, and significant increases in wage related "on costs." This is in addition to the amount CSOs already pay to cover rising operating costs and the amount paid to subsidise current government funded service costs. Expecting agencies to fund an increase in wages of this proportion is not reasonable and not sustainable.

By forcing CSOs to fund the remuneration increases, the Government would leave CSOs no choice but to cut service delivery or close services to meet increased staffing costs. Reducing the level of service that can be provided to clients will result in a higher number of clients being unable to access

²⁰ Katrina D'Ore. The Salvation Army Territorial Finance Conference. *The Equal Remuneration Case: Latest Developments*. 16 November 2011.

²¹ Renee Viellaris. The Sunday Mail. *Charities Eye Ruin*. 4 September 2011

community services, forcing them to present at costly, tertiary services such as Emergency Departments.

The work carried out by CSO workers is absolutely vital to the economic prosperity and social fabric of our communities. They should be paid a fair and equitable wage that reflects the value of their work. Governments need to fully fund these increases in remuneration to maintain high quality services to clients. If CSOs are not funded to provide adequate services capable of appropriately addressing the needs to clients now, the social implications will only serve to cost Governments more in the long term.

Recommendation 30

Fully fund the outcomes of the Equal Remuneration Case to cover the increase in wages paid to state government funded service agency staff.

Recommendation 31

Fully fund increases in “on costs” to CSOs as a result of the Equal Remuneration Case.

Staff Education and Training

The Salvation Army prides itself on delivering high quality services to clients. However, as clients continue to present with increasingly complex needs, The Salvation Army recognises that the organisation’s ability to continue to provide quality services relies on the capacity to attract and retain skilled, qualified and professional staff.

The Salvation Army has a highly skilled and committed workforce. However, recruiting and retaining staff continues to be an ongoing challenge. It is The Salvation Army’s experience that capable staff leave our services because of poor pay and insufficient opportunities for staff development and career path fulfilment. Increasing access to training for social and community service staff would enhance opportunities for staff development, foster a highly skilled workforce, and improve employee retention.

The Victorian Government has recently taken the positive step of broadening the eligibility requirements for staff who qualify for government subsidised places at TAFEs. However, there remains a gap in opportunities for highly skilled staff with qualifications above that of VET programs to continue with professional development training at a University.

A large number of Salvation Army staff members are already skilled at a level higher than that of an Advanced Diploma. As a result, any additional training they may require is not subsidised, leaving CSOs burdened with the full cost of increased training. In many cases, CSOs are unable to fund this cost, leaving further education opportunities and staff development at a minimum.

Adequate remuneration significantly affects the CSOs' ability to recruit and retain staff. However, equal remuneration is not the end of the story and needs to be considered in conjunction with policies aimed at increasing the skills and knowledge base of CSO workers. Without policies achieving both these aims, the long-term sustainability of the community sector is in jeopardy.

Recommendation 32

Develop a comprehensive workforce strategy for the community sector that is produced with input from key stakeholders including service organisations, unions, consumer representatives and training bodies.

Recommendation 33

Extend government education subsidies to university graduate and post-graduate degrees in areas of skills shortages within the community sector, including specialised skills in AOD, mental health, child development, homelessness, and the effects of trauma, etc.

- Education subsidies should be flexible to allow staff to study related subjects at, or below, their current level of accreditation to reflect integrated service delivery models and the need for workers to understand a range of diverse issues in order to provide holistic care.**

7. SUMMARY OF RECOMMENDATIONS:

HOUSING AFFORDABILITY AND HOMELESSNESS

Recommendation 1

Increase funding to the housing sector to meet the overwhelming level of demand and improve capacity for services to run early intervention programs for those at risk of homelessness or newly homeless.

Recommendation 2

Place significant investment into the provision of crisis accommodation in regional areas.

Recommendation 3

Include the costs and resources associated with developing and maintaining partnerships in program funding.

Recommendation 4

Renew and expand funding for the Accommodation Options for Families program, which currently is only funded to the end of July 2012.

Recommendation 5

Expand funding for services in growth corridors to reflect the increase in service demand, as well as the additional costs of delivering services outside of metropolitan areas.

Recommendation 6

Advocate to Federal Government for improved private rental affordability and stability.

Recommendation 7

Increase investment in private rental brokerage programs.

ALCOHOL AND OTHER DRUG**Recommendation 8**

Recognise within future funding models the costs and resources associated with developing and maintaining partnerships.

Recommendation 9

Review unit costings and funding to agencies for day-to-day operating costs as per the Victorian Alcohol and Drug Association's (VAADA) 2010-11 budget submission.

Recommendation 10

Ensure an appropriate emphasis on treatment, post treatment and prevention services for AOD clients rather than an emphasis on supply reduction strategies.

Recommendation 11

Subsidise the cost of dispensing pharmacotherapy medication to clients.

Recommendation 12

Review funding models for rural and regional AOD services to address the added costs of service delivery in regions.

Recommendation 13

Increase the expansion of pharmacotherapy services in rural and regional areas as a matter of priority.

CHILDREN AND YOUTH

Recommendation 14

Urgently review the level of reimbursement paid to foster carers. Care Giver Payments must be increased to reflect the true cost of caring for vulnerable youth.

- At a minimum, The Salvation Army advocates for a care giver rate to be based on the Australian Institute of Family Studies calculation of the real costs of raising a child in Australia.

Recommendation 15

Develop a sustained public awareness campaign similar to “Slip, Slop, Slap” to inform the general public of its responsibility towards child protection and to promote the concept of caring for children, particularly adolescents, as a worthwhile and rewarding community service.

Recommendation 16

Extend funding to carers who continue care for adolescents to the age of 21 to reflect the continuation of the State’s responsibility to be a good parent as stipulated in the *Child Youth and Families Act*.

Recommendation 17

Review the level of funding provided to agencies to run residential care units to include capital and maintenance costs as well as additional costs tied to specific client needs.

Recommendation 18

Fund providers of Out of Home Care to manage 100% of the case management work for children and youth under their care.

Recommendation 19

Extend therapeutic models of assessment and care across the state to all Out of Home Care services.

Recommendation 20

Further explore and expand flexible learning and mentoring programs as a way to positively intervene in a high-risk child's or adolescent's life before they reach a point of crisis.

Recommendation 21

Further develop the "Continuing Care" model.

COST OF LIVING

Recommendation 22

Adopt all of VCOSS's recommendations relating to increases to the cost of living.

Recommendation 23

Fund additional financial counselling services in partnership with the Federal Government to better enable clients to take control of their own financial situation.

FAMILY VIOLENCE

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