



Uniting Vic.Tas

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Mr Tim Pallas
Treasurer
Level 4, 1 Treasury Place
East Melbourne, VIC 3002

Dear Treasurer

RE: Uniting Vic.Tas 2022-23 Budget Submission

I am pleased to provide this pre-budget submission to you on behalf of Uniting Vic.Tas (Uniting). Uniting is the community services organisation of the Uniting Church in Victoria and Tasmania. We have worked alongside local Victorian communities since 1881. We deliver a broad range of services in the areas of crisis and homelessness, child, youth and families, alcohol and other drugs, mental health, disability, early learning, employment, and aged and carer services. We work across the full spectrum of community services, intervening early to help people avoid crisis, as well as supporting those who live life at the margins.

We are the largest community service provider in Victoria, reaching Albury-Wodonga in the north, Mallacoota in East Gippsland, and the Wimmera region in the west. In 2020-21, we employed almost 4,000 staff and worked alongside more than 2,100 volunteers. We provided 67,000 community meals for those in need, answered 72,500 Lifeline crisis calls in Melbourne and Ballarat, worked with 3,500 people experiencing homelessness to find safe accommodation, and supported 200 people with disability to find meaningful work, along with many other services.

We acknowledge the Victorian Government's significant investment in our community sector and social infrastructure in recent years. This includes record investment in social housing, implementation of the recommendations from the family violence and mental health system Royal Commissions, delivering on the Roadmap for Reform, funding universal 3-year-old kindergarten, and progressing an inclusive and rights-based legislative agenda.

The government's investment to date has helped to create a strong reform foundation for our sector and community. Our budget submission highlights what we see as the critical next steps and policy priorities for the Victorian Government for 2022-23. It comes at a time when Victoria is experiencing strong economic growth as we emerge from the COVID-19 pandemic and lockdowns. Our submission sets the scene for a fair and inclusive recovery for all Victorians, a future that we can all believe in.

Uniting calls on the Victorian Government to:

- Ensure our state's post-COVID-19 recovery is fair and inclusive
- Introduce a permanent and transparent funding indexation formula for community services
- Invest in a Community Services Workforce sustainability strategy in response to the challenges brought about by the COVID-19 pandemic
- Increase funding for critical child, youth, and family services
- Increase funding for additional staff in intake and assessment at homelessness entry points
- Establish a pipeline of social housing development, by funding construction of at least 3,500 new houses per year
- Legislate recurrent funding for social housing development
- Investigate inclusionary zoning policies for use in Victoria

- Increase investment in child and family support services as part of the ongoing response to family violence
- Continue to expand funding for vital perpetrator intervention programs
- Build on its \$15 million investment by increasing ongoing base funding to residential out-of-home care services to a therapeutic level
- Invest in the Essential Services Commission so it can proactively monitor energy retailers' support for people experiencing financial challenges
- Increase funding for alcohol and other drug treatment services to meet demand associated with the COVID-19 pandemic
- Urgently invest in specialist family support services for families experiencing alcohol and other drug-related harms, across Victoria.

Thank you for the opportunity to provide a submission to this important process. If you would like more information please contact Uniting's Manager, Advocacy and Public Policy, Thomas Johnson on 0400 315 446 or via email at Thomas.Johnson@vt.uniting.org.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Bronwyn Pike', written in a cursive style.

Bronwyn Pike
Chief Executive Officer

Submission on the 2022-23 Victorian Budget

Fairness and equity in our COVID recovery

Many Victorians cannot access the basics or the services they need to support their lives, families, and wellbeing. Inadequate income support payments force many people to live below the poverty line. The COVID-19 pandemic and associated lockdowns have only exacerbated these issues. Income security programs are the responsibility of the Australian Government, but the Victorian Government has many options to support people experiencing financial challenges and insecure housing.

In 2021, Uniting, in association with Swinburne University's Centre for Social Impact, conducted research with our consumers. Our report, [*No fighting chance: Impact of the withdrawal of COVID-19 income and tenancy benefits*](#), explored the impact of different COVID-19 income supplements and tenancy supports on people's lives. Consumers reported the measure that made the most difference to their lives was eviction delays, with 71 per cent of survey respondents reporting this made life a lot easier.

Uniting calls on the Victorian Government to ensure our state's post-COVID recovery is fair and inclusive. We must invest early in programs that support people experiencing disadvantage – including services for children, young people, and families, housing, mental health, alcohol and other drug treatment, and financial security.

Community sector sustainability

The community sector fills a vital gap in local communities across Victoria, working alongside vulnerable and marginalised people and families. Financial investment from the Victorian Government is essential for the sector to be able to deliver this.

In the past, community services like Uniting were able to deliver our services within the indexation rates and with valuable fundraising contributions from our communities. Lately it has been different. Changes to workforce conditions (including the Portable Long Service Leave Scheme and increases in the minimum wage and the superannuation guarantee) are important building blocks for a sustainable sector. But they have come at a time that is already very challenging for organisations like ours.

Without increased funding from government, we will see negative impacts for our services and staff.

Uniting asks the Victorian Government to introduce a permanent and transparent funding indexation formula for community services. This must be based on the true cost of delivering quality services and responding to current unmet demand.

Our workforce requires investment too. We acknowledge the [10-year Community Services Industry Plan](#) and the future ambition for a workforce that is stable, well paid, securely employed and capable of delivering the highest quality care and support. However, the COVID pandemic has brought a number of long-term workforce sustainability issues to the fore. These include critical shortages in some parts of the community sector and the need for a skilled and capable workforce able to meet current and future demand.

Uniting calls for the Victorian Government to invest in a community services workforce sustainability strategy in response to the challenges brought about by the COVID-19 pandemic. This must include a suite of programs the sector can implement in concert with government to grow this workforce and meet the immediate and future needs of our community.

Preventing homelessness and providing access to affordable housing

Uniting operates 13 dedicated homelessness programs across Victoria in both rural and metropolitan areas. We are the intake and assessment point for government-funded homelessness services in eastern Melbourne, Sale, Horsham, and Ballarat. Together with Uniting Housing Victoria, a registered Community Housing Provider, we currently manage a portfolio of over 800 tenancies across Victoria.

The COVID pandemic and lockdowns have been challenging for all Victorians, affecting many people's employment and housing. We have also seen increasing numbers of people moving from the city to our regions throughout the pandemic, contributing to higher rental stress. This comes on top of ongoing housing affordability challenges across the state, particularly in rural and regional areas. Our program experience in delivering the government's From Homelessness to a Home program confirms there is no affordable housing available in communities like Gippsland and Bendigo.

Uniting practitioners are reporting a significant increase in the number of people presenting to our services seeking support with housing since lockdowns ended. The government's investment in the From Homelessness to a Home program is very welcome and follows years of advocacy by the sector for a Housing First model. However, the current service system does not have capacity to meet Victorians' needs.

The workforce is stretched and burnt out from the pandemic. In the Central Highlands, for example, demand has grown so significantly that in September alone, staff were unable to provide immediate assistance to 201 people. **Uniting calls for funding for additional staff in intake and assessment at homelessness entry points** alongside program investment, so that current workers are not expected to do more with less.

We also need urgent ongoing investment in infrastructure. The Victorian Housing Peaks group estimates an additional 60,000 social homes will be required in the next 10 years. **Uniting joins the sector in calling on the Victorian Government to establish a pipeline of social housing development**, by funding construction of at least 3,500 new houses per year. This investment needs to focus on areas experiencing acute housing affordability stress. It must include diverse stock to meet a range of family and accessibility needs. Additionally, we ask the government to explore **legislating recurrent funding for social housing development**.

State planning reform and policies that increase social and affordable housing supply in new developments should form part of government's investment. Government has a role in incentivising new developments to include a percentage of affordable housing through rebates and other market mechanisms. We know this works, as demonstrated through increased affordable housing stock in South Australia, New South Wales, and many places overseas. **Uniting asks the Victorian Government to investigate inclusionary zoning policies for use in Victoria.**

Supporting children, young people, and their families

We know that the pandemic has disproportionately impacted children and young people, particularly those already facing financial and socio-economic disadvantage. Yet the experiences of children and young people are all too often hidden from view.

Our *No fighting chance* report found that families struggling to pay rent, bills and put food on the table, benefited greatly from the increase in payments and the rental moratorium. Eighty per cent of respondents reported that their life became easier overall.

As governments wound back these support measures, our consumers experienced significant negative impacts on their lives. The loss of payments impacted the ability to eat well for almost two thirds of consumers. Parents also reported the withdrawal of supplements having a negative impact on their ability to care for their children. Almost one quarter of respondents (22 per cent) identified support with parenting and family issues and access to these services as important. When asked to nominate the number one thing that would make a difference in their lives right now, many parents spoke of how the basics of life would make the biggest difference:

Being able to have meals for my children every day and night.

Help with bedding for my kids during winter. We live in a cold old home and the cost of running the heater all day is so expensive, so is replacing bedding for four children.

While we welcome investment in programs like Family Preservation and Reunification Response and the Roadmap for Reform package, the increase in the rate of children having contact with the child protection system requires additional, sustained and consistent investment in early intervention programs. With early intervention families get assistance before issues escalate, thereby avoiding family breakdown and separation, and keeping children out of out-of-home care. This investment must sit alongside increased financial support and services for all carers, from kinship to foster carers, to sustain positive home connections and prevent placement breakdown. Supporting families through adequately funded, evidence-based early intervention programs will reduce the ever-increasing demand for child protection services and prevent children from entering out-of-home care. It will also lead to savings in overall cost of the system as well as in other services due to improved social outcomes for the child.

Uniting provides parenting support programs, wellbeing and counselling services and specialist programs for young people experiencing disadvantage and crisis. Our child and family services have been under increasing demand during the pandemic, exacerbated by current funding models that do not reflect the true cost of service delivery. **Uniting calls on the Victorian Government to increase funding for these critical services for Victorian families.** This must prioritise investment in early intervention.

Responding to family violence

Uniting works with individuals and families experiencing family violence, specialising in supporting children and families, as well as being a provider of Men's Behaviour Change Programs in metropolitan and regional Victoria. We welcome the Government's commitment following the Royal Commission to expand perpetrator interventions and invest in the Orange Door as the centralised intake service for family violence and child and family services.

Our experience working across both metropolitan and regional Orange Doors has confirmed what we have known for many years – there is significant unmet need for services for children exposed to family violence.

Uniting calls on the Victorian Government to invest in child and family support services as part of the ongoing response to family violence in our state. Increased investment in family services is necessary to recognise the voices and experiences of children and young people as victim/survivors of family violence in their own right, and to ensure that children do not miss out on vital support.

Our practitioners continue to highlight the importance of holistic, wrap-around supports that are focussed on keeping women and children safe and addressing a family's multiple needs. The Families@Home program delivered by Uniting in Whittlesea since 2012 aims to prevent women and children becoming homeless because of their experience of family violence. A recent evaluation undertaken by Uniting found it to be a well-regarded and reliable service delivering positive outcomes for women and children.

The success of the Families@Home model and its positive impact on the local community provides government with the opportunity to expand in other communities. Uniting would welcome partnering with the Victorian Government in this approach.

The COVID-19 pandemic and lockdowns have significantly affected our ability to engage with men who use violence, with demand increasing and restrictions on face-to-face contact. We have innovated through online service delivery, however the very real impact of a spike in family violence means the current system cannot meet demand. For instance, in northern Melbourne we have a current waiting list of around 300 men waiting to learn how to hold themselves accountable for their violence towards family members.

Uniting calls on the Victorian Government to continue to expand funding for vital perpetrator intervention programs. This includes exploring mechanisms to grow, upskill and diversify the workforce, through a suite of activities developed and delivered with child and family services as well as family violence services. This could include measures such as free access to specialist qualifications and must be linked to a broader community services workforce sustainability strategy.

Supporting young people through and beyond the care system

Uniting warmly supports the Victorian Government's recent move to extend the age of out-of-home care support from 18 to 21 years. We also welcome the Government's analysis and price review of residential out-of-home care and the one-off additional \$15 million financial assistance to community services organisations who support these children and young people in recognition of the cost pressures throughout the COVID-19 pandemic.

But there remains much more to be done to support young people in our care system, and as they transition out of care.

In Victoria there are currently two distinct funding models for residential out-of-home care. While the difference in the funding requirements is clear, there is no distinct difference between the complexities and needs of young people placed in standard homes compared to therapeutic homes. This means only

40 per cent of these children receive the basic therapeutic supports required to feel safe, establish safe adult connections and begin to heal past trauma.

The current youth residential care funding models do not reflect the complexity of children's needs or provide the therapeutic, trauma-informed approach to care required to help children heal and protect them from further harm.

Uniting continues to ensure all children in our residential care services receive therapeutic support by self-funding the gap. We are committed to improving the experience of young people in care; however, this investment is unsustainable and only benefits young people in Uniting's care, not all young people in care.

Recent research and inquiries into the sector, funded by the Victorian Government and the sector itself, support the introduction of therapeutic funding across the board. **Uniting asks the Victorian Government to build on its \$15 million investment by increasing ongoing base funding to residential care services and ensuring all residential care homes are funded at therapeutic level.** This funding must cover the costs of delivering an effective therapeutic approach, including the employment of experienced staff.

There is also a strong opportunity for the Government to review the child protection operating model, so Victoria can make our child protection system more contemporary, effective and efficient, drawing on the success of reforms in other jurisdictions.

Support for young people leaving care is a significant gap in Victoria's current service system. Uniting practitioners identify access to housing and mental health services as primary areas of unmet need. This is consistent with [recent AHURI research](#) showing more than half of young people leaving care were at risk of homelessness or had experienced homelessness within four years.

Uniting welcomes the Government's recent announcement of \$50 million for youth foyers, including a focus on support for young people leaving care. We look forward to partnering with government to deliver on these important commitments.

Accessing essential services

The Essential Services Commission (ESC) introduced the 'payment difficulty framework' in 2019. The framework sets out the entitlements and supports energy retailers are expected to provide to consumers facing financial challenges.

Uniting provides home energy assistance to households struggling to pay energy bills and facing energy poverty, to help them use energy in their homes safely and effectively. Despite the payment difficulty framework, our practitioners report that consumer experiences are a 'lottery' with many people missing out on the supports they are entitled to. And for many consumers the framework doesn't go far enough.

We have observed escalating debts for some households, with some people on income support accruing thousands of dollars in debt to retailers. This results in enormous stress, and has flow-on effects for households, restricting their access to basics including food, clothing, and medicine.

We acknowledge the ESC's investment in enforcement and compliance, but we believe greater oversight of the framework's implementation is required to improve both consistency across the sector and outcomes for consumers. The assistance a consumer receives should not depend on which retailer they are with, which staff member they speak to, or whether they use advocacy services. This also impacts

consumers' ability to access the Utility Relief Grant Scheme that our consumers tell us is currently not consistently available.

Uniting asks the Victorian Government to invest in the ESC so it can proactively monitor energy retailers' support for people experiencing financial challenges and oversee implementation of the payment difficulty framework. This could include targeted training for retail staff and innovative approaches such as 'mystery shoppers.' We also ask that the government considers alternative support measures for people who are not in a position to cover their ongoing energy costs, including debt waivers and backdating concessions.

Reducing harm from alcohol and other drugs

COVID-19 has had a significant impact on people who use substances, and the way alcohol and drug (AOD) services deliver treatment programs and support. The pandemic brought with it a profound reduction in the everyday support structures that scaffold 'recovery'. Our clinicians have been tasked with supporting people with their AOD treatment through a period of significant and ongoing upheaval stretching back to March 2020.

We commend the Victorian Government on its investment of an additional 100 AOD workers across the state under the COVID Workforce initiative in 2021. This investment has allowed Uniting to expand several of our services, particularly in youth outreach, to help meet continuing demand during the pandemic.

Despite the additional investment under the 2021 initiative, we continue to see some concerning trends. This includes re-presentation of people who had previously been in treatment and for whom COVID-19 has so significantly impacted their lives they have experienced relapse. Another is growing waitlists of between 6-8 weeks for both residential and non-residential services for adults and young people.

These trends have meant that people at risk of significant AOD-related harm are waiting longer to access essential treatment and support.

Uniting calls on the Victorian Government to invest in ongoing and additional funding for AOD treatment services to meet demand associated with the COVID-19 pandemic.

Specialist investment in families

Uniting AOD services have been providing care to families across Victoria for decades. We are responsive to family need whatever life stage families are at. Some examples include our Mother and Baby Withdrawal Unit and our supported playgroups that offer care for parents with young babies and children.

Our Family Reunification Program works with parents who have current child protection involvement, and our clinicians work to reunite parents with their children, avoiding long-term care. Our Caring Dads program supports men using family violence to understand their behaviour and the impact it has on their children.

However, we face a significant roadblock in continuing to deliver our specialist family counselling program and other specialist family services without additional investment in family support. Funding for our specialist family counselling role ceases in December 2021, leaving a considerable gap in specialist

therapeutic support. Increasing demand on our family reunification services also speaks to the level of need within the Victorian community for targeted AOD family interventions.

Uniting calls on the Victorian Government to urgently invest in additional specialist family support services for families experiencing AOD-related harms, across Victoria.