

Social Worker Assessed Vulnerable Income Management

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Abstract

Despite the small size of the sub-program, Social Worker Assessed Vulnerable Welfare Payment Recipients Income Management is often cited as a preferred approach to this type of initiative, being tightly targeted at a group of people with identified high needs, and demonstrated poor outcomes. Although the program was considered in the two recent major evaluations of income management, specific findings relating to it have tended to be overshadowed by the more general finding of an absence of positive outcomes, and indeed potentially negative effects, from compulsory income management. While the size of the sub-program has made evaluation difficult, the two major evaluations of income management have nevertheless made specific findings which suggest that the program has had some positive outcomes for a highly marginal participant group. These findings, along with aspects of the operation of the program, including the role played by social workers, and a proposal to abolish the program, are discussed.

Keywords: income management, conditional welfare, social work, program evaluation

Introduction

Social worker assessed vulnerable income management is one of the components of the income management programs introduced in Australia in recent years. Despite being one of the sub-programs with the fewest participants, this form of income management is often held up as a preferred model in that it is targeted at individual income support recipients who have been assessed as experiencing problems in managing their funds, and who display particular indicators of vulnerability.

While the major evaluations of income management have found that the main compulsory streams of the program – which rely upon placing ‘classes’ of income support recipients onto income management – have not been successful in achieving change, findings with respect to both the voluntary element and the individually targeted compulsory elements, including social worker assessed vulnerable income management, have been more positive.

This article, drawing primarily upon the research contained in these evaluations, looks in more detail at the social worker assessed stream of vulnerable income management, its history, its operation and its outcomes.

Background

Income management is a policy, initially introduced in 2007, under which restrictions are imposed on how some recipients of income support payments can spend part of these payments (see Bray et al. 2015; Bray 2016; and other papers in this volume for a detailed description of the program). The program was envisaged as laying ‘the foundations for pathways to economic and social participation’ (Australian Government 2009:1).

The program has been subject to a number of evaluations, with the largest and most robust being the evaluations of New Income Management (NIM) in the Northern Territory (Bray et al. 2012; 2014), and of Place Based Income Management (PBIM) (Deloitte 2014a; 2014b; 2015a; 2015b).

A common theme from both of these evaluations, as well as in a number of broader social policy reviews, has been that the compulsory elements of the program should be focused on income support recipients who have been individually assessed as being in need of income management, rather than income management being more broadly applied. This is seen, for example, in the recommendation of the Parliamentary Joint Committee on Human Rights: ‘The committee recommends that income management should be imposed on a person only when that person has been individually assessed as not able to appropriately manage their income support payments’ (PJCHR 2016: 62). The evaluation of Place Based Income Management suggested the removal of the automatic trigger for placing young people compulsorily on the vulnerable measure (Deloitte 2015b: 66) and, without specifying the actual mechanism, the McClure report recommended that ‘Income management should be used judiciously’ (McClure 2015: 120). Support for a focused approach is also echoed in the Ombudsman’s

June 2015 submission to the Senate Standing Committees on Community Affairs: ‘We consider the subjective consideration of an individual’s circumstances when applying IM [Income Management] is important, both to ensure that the individual is afforded natural justice, and that the application of IM will be consistent with its intended purpose of supporting and assisting the individual’ (Commonwealth Ombudsman 2015: 4).

The concept of individual assessment exists in a number of components of the current array of income management programs, specifically: Child Protection Income Management; income management under the Cape York Welfare Reform Trial; the Supporting People at Risk sub-program in the Northern Territory (NT); and the original approach of the Vulnerable Welfare Payment Recipients (VWPR) measure. In the first three of these, however, individual assessment does not necessarily relate to an individual capacity to manage their resources appropriately. Placement on Child Protection Income Management is based upon an assessment of parenting behaviours linked with poor outcomes for children, notably child neglect, which may or may not have poor financial management as a cause. Placement on income management as part of the Cape York Welfare Reform Trial involves a two-step process. The first is triggered by an adverse event such as problems with children’s school attendance, various criminal or civil misdemeanours, being the subject of a child protection notification, and tenancy breaches. This then leads to referral to the Family Responsibilities Commission which, after consideration of the individual’s circumstances, may then place the person on income management. In the case of the Supporting Persons at Risk stream of income management in the NT the trigger is an order issued by the Northern Territory Alcohol Mandatory Treatment Tribunal.

Vulnerable Welfare Payment Recipients measure

The Vulnerable Welfare Payment Recipients (VWPR) measure, as originally introduced, involved a person being placed on income management after an assessment by a Centrelink social worker taking account of:

- ‘whether the person is experiencing an indicator of vulnerability
- whether the person is meeting their priority needs and the priority needs of their partner, children or other dependants
- whether income management is an appropriate support for the person experiencing vulnerability to meet their responsibilities, to build and maintain self-care and to manage their money.’ (Australian Government 2016: Section 11.4.2.10).

The indicators of vulnerability are specified to include: financial hardship defined in terms of a lack of skills, or ability, to manage their resources which leads to basic priority needs not being met; the person being subject to financial exploitation; failure to undertake reasonable self-care; and homelessness or risk of homelessness. The program was announced by the then Minister for Families, Housing, Community Services and Indigenous Affairs in November 2009 as being for: ‘people assessed by Centrelink social workers as requiring

income management due to vulnerability to financial crisis, domestic violence or economic abuse' (Macklin & Snowdon 2009). This element of the program is referred to here as VWPR (SWA), reflecting the social worker assessment.

In November 2012 the Minister announced a major shift in the program with the introduction of a new stream of automatic application. The ministerial statement presented this as: 'To ensure vulnerable young people are assisted to better manage their income support payments, the Government is also introducing additional triggers for automatic inclusion on income management under the vulnerable measure' (Macklin 2012).

The three automatic¹ triggers are that: a young person under the age of 16 has received Special Benefit; a person over this age had been granted an Unreasonable to Live at Home (UTLAH) payment, typically due to family breakdown, violence or homelessness;² or a person under the age of 25 had been paid a 'Crisis Payment' due to prison release.³ This element of the program is referred to here as VWPR (Auto).

VWPR is a component of income management in some, but not all, of the initiatives that have been introduced. Specifically, it operates: as part of what was known as 'New Income Management' in the Northern Territory; in the Place Based Income Management (PBIM) trials in five sites; and in the initiatives in the Anangu Pitjantjatjara Yankunytjatjara Lands (APY) Lands in SA; Ngaanyatjarra Lands and Laverton Shire in WA; and in Ceduna, SA.

Between February 2011 and June 2012 the Commonwealth Ombudsman undertook a review of Centrelink decision-making in the operation of income management in the NT. One element of this review concerned decision-making with regard to VWPR. This identified a range of problems, with the Ombudsman noting:

We examined a sample of VWPR decisions made between August 2010 and March 2011. We concluded that in only eight of the 59 decisions applying the VWPR measure was it demonstrated by the decision record that all of the mandatory considerations had been addressed, and that decisions were supported by relevant evidence and met policy objectives (Commonwealth Ombudsman 2012: 24).

Following early findings of the Ombudsman, Centrelink established an internal taskforce and consequently implemented a number of changes. These were noted by the Ombudsman, who then made nine specific recommendations for changes to VWPR decision-making, six of which were agreed, and three noted, by the relevant departments.

The government proposed in 2015 to abolish Social Work Assessment as a means of placement on VWPR. The explanatory memorandum for the legislation argued:

The amendments also streamline the operation of the current vulnerable income management measure. The measure was under-utilised and administratively burdensome. The

determination that a person is a vulnerable welfare payment recipient will cease to be done on a case-by-case basis by Department of Human Services social workers, and will instead only apply where a welfare recipient meets various objective criteria as part of a class (Morrison 2015: Schedule 1, p. 2).

This change faced opposition in the Senate and, along with other aspects of the legislation, was subject to an inquiry by the Community Affairs Legislation Committee (2015). The majority, Government Members' Report, acknowledged the concerns raised about this change, but accepted the government's case arguing 'that the existing case-by-case process is under-utilised and administratively burdensome' (2015: 10) further suggesting that the workload of individual assessment detracted from the ability of Centrelink social workers to provide other support and services to people in need of these. Two dissenting reports opposed the change. The Labor Senators cited submissions from the Australian Council of Social Service and the Commonwealth Ombudsman, both of which argued that social worker referrals provided a more appropriate form of targeting than generalised measures (2015: 11–12). The Australian Greens went further, expressing the view that: 'Previous examinations of Income Management have highlighted the risk inherent in making high-level, broad-brush determinations about complex, personal circumstances' (2015: 15), and stated that submissions had 'demonstrated why there is a role for social workers in making income management determinations' (2015: 16). In the face of this opposition the proposed change was removed from the legislation and the Social Worker Assessed element of VWPR remains in operation.

Evaluation studies

Bray et al. (2015) provide a description of the evaluation of NIM, while Bray (2016) in this volume, provides additional detail concerning the range of evaluations and related studies of income management. Here we are concerned with the specific aspects of the studies related to the VWPR (SWA). In the NIM evaluation this program element was subject to a targeted study. This included eight focus groups with 26 Department of Human Services (DHS) social workers and a review of 30 DHS social worker VWPR (SWA) assessment reports. This was in addition to material drawn from the main elements of the evaluation (see Bray et al. 2014: 265–266), which included six of the qualitative interviews that involved people on this measure. The evaluation of PBIM included online surveys with 105 DHS staff, including 22 social workers, as well as focus groups at each site, and interviews with housing authorities in South Australia (SA) and New South Wales (NSW). Eight program participants were also surveyed.

While each of the evaluations experienced challenges in assessing the outcomes of the VWPR intervention due to the small size of the program relative to other forms of income management, the evidence indicated that the nature of the VWPR (SWA) program, and the outcomes it achieves, are distinctively different from those of the major compulsory streams of income management, as well as being different to those of people placed on VWPR through the automatic provisions.

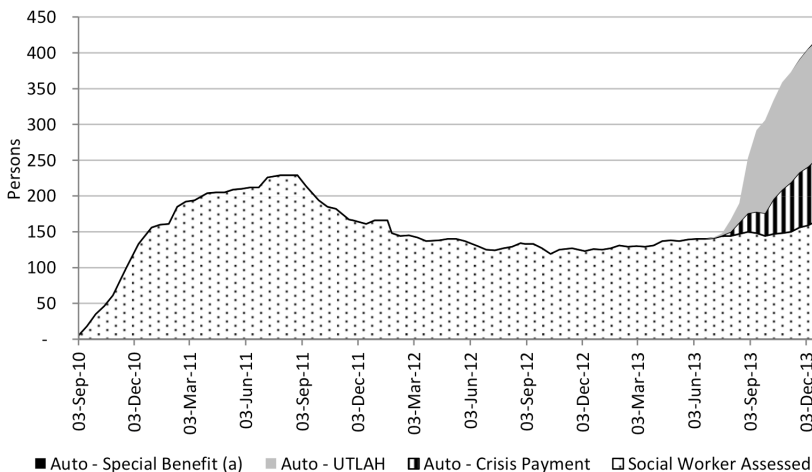
The population on the Vulnerable Welfare Payment Recipients measure

As at 1 January 2016 the Department of Social Services (DSS) reports that 2,915 people were on the VWPR measure, 257 on the basis of a Social Worker Assessment (SWA) and 2,658 through the automatic youth measures (VWPR (Auto)). While 63.8 per cent of the SWA population (164 people) were in the NT, only 17.0 per cent of the automatic population (451 people) were (DSS 2016). Data for March 2015, which included the program breakdown, indicates that there were 2,052 young people on the automatic provisions as part of the PBIM initiatives (DSS 2015).

Contemporary data on the triggers for placement on VWPR (Auto) is not publicly available. Data from the NIM evaluation shows that in December 2013, in the NT, 64.7 per cent of placements onto this automatic element were because the person was receiving a UTLAH rate of payment, 34.1 per cent because of receipt of a Crisis Payment, and 1.2 per cent Special Benefit (Bray et al. 2014: 54). At that time over 90 per cent of those outside of the Northern Territory on VWPR (Auto) were on under the UTLAH provision.

Trends in the number on VWPR in the Northern Territory up to December 2013 are shown in Figure 1.⁴

Figure 1. Persons in the Northern Territory subject to the Vulnerable Welfare Payment Recipients Measure, by program sub-component, September 2010 to December 2013.



Source: Bray et al. (2014) p.267.

(a) The small number of people on this program are just visible as the thin black line at the top of the graph in the final months of 2013.

The figure highlights two distinct features of the history of the program. The first is the peak in numbers on the SWA element in mid to late 2011 and a decline to a relatively steady level around two-thirds of the peak. This would appear to reflect changes to program operations associated with the Ombudsman's report which noted: 'Since we first outlined our preliminary concerns to the agencies in

September 2011, they have implemented a series of changes aimed at improving ... decisions and decision-making processes' (Commonwealth Ombudsman 2012: 45). The second is the impact of the introduction of the VWPR (Auto) and the steep escalation of this program commencing in mid-2013 until it dominated the program by the end of that year – a situation which continues today.

Program data also show the relatively minor role played by VWPR (SWA) in the income management program overall. In January 2016 the program with 257 participants accounted for just under one per cent of all people on income management (DSS 2016). Analysis in the PBIM evaluation estimated that, for the locations in which the program operated, the utilisation rate for the program was 3.8 per 10,000 potential participants, with this ranging from 2.1 to 8.4 depending upon the location (Deloitte 2015a: 23).

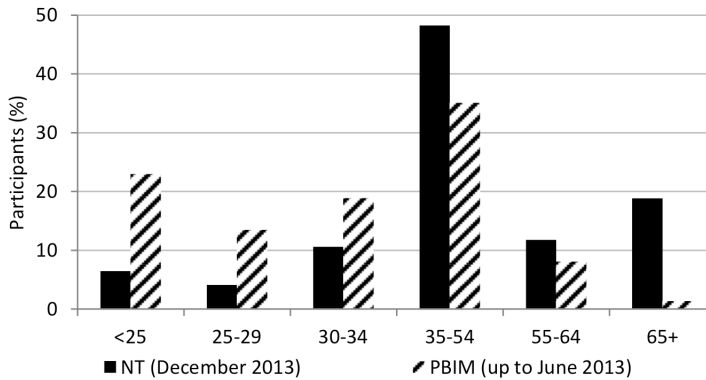
The NIM evaluation identified two potential reasons for the low take up for the program in the NT, where initial estimates were that around 500 people would be subject to the social worker assessed measure. The first was a preference amongst social workers to have people choose to go onto Voluntary Income Management (VIM) rather than being placed on any form of compulsory income management. This reflected not just the underlying philosophy of many of these workers that it was better for individuals to take the decision themselves and demonstrate some autonomy, but also so that participating individuals could benefit from the additional incentive payment associated with VIM.⁵ The second was the extent to which the scope for the program had been crowded out by the operation of the compulsory program. That is, a high proportion of the potential group who may have been placed on the measure were already subject to compulsory income management on the basis of falling into one of the groups of income support recipients, which were automatically targeted.⁶

Characteristics of participants

In the NT 55.3 percent of people on VWPR (SWA) in December 2013 were women, 98.2 per cent were Indigenous, and 84.1 per cent were single. Only 8.8 per cent had dependent children. Of those on VWPR (SWA) in 2013, 78.2 per cent were on a Disability Support Pension, and 18.2 per cent on an Age Pension. Relatively few of those on the program in the NT were young, with just 21.2 per cent being aged under 35 years. This contrasts with the population on the program under PBIM (up until June 2013), where 55.4 per cent of participants were in this age range, see Figure 2.

In addition to the difference in the age distribution, the participants in the VWPR (SWA) as part of PBIM had a slightly higher likelihood of having children (12.2 per cent), only 28.4 per cent were Indigenous, and 9.5 per cent were identified as having a culturally or linguistically diverse background. The composition of income support received also differed considerably, with 36.5 per cent being on Newstart Allowance, 17.6 per cent on Parenting Payment Single, 12.2 per cent on Youth Allowance, 25.7 per cent on a Disability Support Pension and none on the Age Pension.

Figure 2. Persons subject to the Vulnerable Welfare Payment Recipients (Social Worker Assessed) measure, distribution by age group



Source: Bray et al. (2014: 268); and Deloitte (2014b: 26).

As noted above, a significant determinant of these differences is likely to be the extent to which younger people, and those on other forms of income support payments, in the NT were likely to already be on other forms of compulsory income management that are not part of the PBIM program. The small number of younger people on VWPR (SWA) contrasts with those on the automatic element – all of whom are aged under 25 years.

The review of social work assessments undertaken as part of the NIM evaluation⁷ provides some insight into the extent of disadvantage faced by people placed on the program. The assessments allowed multiple disadvantages to be identified for individuals. In 66.7 per cent of assessments the person was identified as at risk of financial exploitation, 50.0 per cent recorded a failure to take reasonable self-care (mainly as a result of substance abuse), and 43.3 percent of assessments identified an experience of financial hardship, with the same proportion identifying either homelessness or risk of homelessness. A measure of homelessness was calculated in the PBIM evaluation, which took account of the time spent by people with no fixed, or a missing, address or in temporary accommodation. Using this, the evaluation reported that prior to being placed on VWPR (SWA), participants had, on average, been homeless for 27.3 per cent of the previous 26 weeks.

The PBIM evaluation attempted to look at the relative disadvantage of the different groups on PBIM. While this was difficult given the relatively small number on VWPR (SWA), in general the data suggested that both this population and those on VIM were relatively disadvantaged compared with the VWPR (Auto) group, which did not show the same level of disadvantage on either the administrative or the survey data. A similar difficulty in identifying characteristics and changes of the small group of participants was encountered in the NIM evaluation. The evaluation did, however, note that some data suggested the population placed on VWPR (SWA) had particularly adverse outcomes. Some indications of this were seen in the administrative data that was used to develop measures of financial capability. Relative to the reference

population of people on the Long-Term Welfare Payment Recipient sub-program – the largest element of compulsory income management – people on VWPR (SWA) in the NT had, after controlling for population characteristics, an additional five replacement BasicsCards each year, around double the population average. They also had a 3.6 percentage point higher incidence of BasicsCard transactions failing because of insufficient funds in their account. This compared with a population average of such failures of 10.1 per cent. In the case of replacement cards this was the second-to-highest deviation across all program categories, and with respect to failed transactions it was the highest. Both of these results were not only large in absolute terms but statistically highly significant (Bray et al. 2014: 150–151).

A further indicator of the level of disadvantage of VWPR (SWA) participants in NIM was the fact that 28.0 per cent of the exits by Indigenous participants from the program element were as a result of the person's death (2014: 87).

The social worker role

The legislative basis of placement on the SWA component is an assessment by a Centrelink social worker⁸ that income management is an appropriate response to the needs and circumstances of the person. In the Northern Territory this assessment is initiated by the social worker on the basis of their regular work, including where people are referred to them by other Centrelink staff or from other agencies. In PBIM an additional pathway is formal referral to the Centrelink social work service from State Housing Authorities in NSW and SA. These referrals can arise from a range of housing-related issues, but primarily are motivated by a history of rental arrears or inconsistent rent payments. In SA referrals are made only with the consent of the individual concerned, while in NSW it is solely a decision of the NSW department.

The role given to social workers in the operation of VWPR (SWA) was one that many social workers were not comfortable with.⁹ Three factors appear to have motivated this. The first concerned social workers taking decisions to place people compulsorily on the measure; the second was the extent to which this role, whether actualised or not, may result in a lessening of the trust in the social worker/client role; and thirdly the degree to which the role of Centrelink social workers in income management under VWPR (SWA) was placing them in the role of a case manager.

The first of these factors was highlighted in the first evaluation report on NIM, which reported on the preference of social workers and allied professionals involved in income management to refer people to VIM rather than to place them on VWPR:

Voluntary Income Management was also seen by social workers, counsellors and child protection workers as a preferable approach to the compulsory measures. This can be interpreted as fitting in with the broad philosophies of their disciplines that sought to allow clients to have autonomy and decision-making capacities.

In cases where a compulsory measure was being considered for a client, many reported that they sought to encourage people to choose Voluntary Income Management in the first instance (Bray et al. 2012: 156).

The PBIM evaluation similarly reported: 'DHS social workers' views about VULN [the term used to refer to VWPR] were particularly ambivalent, with some feeling that it conflicted with their professional principles' (Deloitte 2014a: 135). While the nature of these conflicts were not explored in the report, it is noted that the AASW Code of Ethics emphasises promoting 'the self-determination and autonomy of clients' and that social workers 'will endeavour to minimise the use of legal or other compulsion' (AASW 2010: 25–26).

Associated with this is the second factor and the underlying challenges for social workers in building a trustful relationship with the population potentially subject to the measure. It was noted that many in this group had problems of substance abuse, while others were highly vulnerable, although frequently they did not view themselves in this way. This challenge was seen as being exacerbated by some social workers involved with the PBIM who felt that the process involved clients being invited to an interview with the social worker about potential placement on VWPR without this being explicitly advised to them beforehand.¹⁰

However, looking more broadly at the relationship with clients, using the results of the social workers' responses to the DHS staff survey, the PBIM evaluation concluded: 'There was little evidence reported in this evaluation to suggest that PBIM made people less willing to disclose their problems to social workers for fear of being placed on PBIM' (Deloitte 2015a: 103).

The third factor, the 'risk'¹¹ of taking on a case management role was also discussed in the PBIM evaluation:

The assessments of customers were seen to be comprehensive and holistic. In many cases the assessment had revealed that customers had a broad range of complex needs. This had led to social workers feeling that in some cases they became a de-facto case-manager, as customers were often not already engaged with case management services. This had led to a lack of clarity around their role with VULN customers for some social workers, and had created an additional impost on their time (Deloitte 2014a: 141).

The report went on to say, however, that these assessments also often provided the basis for the referral of people to other services that could assist in addressing the problems which lay at the base of their financial vulnerability. In the NIM evaluation, while the need for these links was also identified, the social workers were more likely to identify a scarcity of services that could be drawn upon. A further problem identified in the discussions undertaken as part of the NIM evaluation were difficulties in services being willing to work together, a factor which may lead to a stronger emphasis on the need for a case manager approach to achieve satisfactory coordination.

In some instances these circumstances do appear to have led to Centrelink taking on a case manager role by default. As reported by a Centrelink social worker in the NT: ‘Sometimes the only people actually maintaining these very vulnerable people are Centrelink staff’ (Bray et al. 2014: 275).

Notwithstanding these concerns, the PBIM evaluation reported that overall Centrelink staff saw the selection of people for VWPR (SWA) as being a process that led to the program being appropriately targeted. Some, however, suggested that there were insufficient pathways for the referral of vulnerable people to Centrelink social workers and hence there were people in the trial sites who should have been potentially placed on the program but were not identified. This was also noted in the NIM evaluation, where it was reported: ‘Where people are less visibly vulnerable they are not being referred’ (Bray et al. 2014: 270).

The assessment process for VWPR (SWA) is detailed and quite labour-intensive, in particular as it has become more formalised following the initial report by the Ombudsman, and the extent to which it can also involve third-party confirmation of vulnerability. In the NIM evaluation there were mixed views from social workers about this. Some felt that having this formalised structure was a positive approach which also ensured clearly documented reasons for decisions; however, others felt the process dominated the purpose: ‘It’s become about the paperwork rather than developing interventions to help people’ (Bray et al. 2014: 271). The PBIM evaluation reported: ‘One social worker estimated that the initial assessment with the customer took approximately 2 hours and then approximately 1.5 hours for a follow-up interview’ (Deloitte 2014a: 140).¹²

Outcomes for people placed on social worker assessed income management

Both the NIM and the PBIM evaluations sought to identify changes in outcomes through a diverse set of measures, using longitudinal surveys of the populations on the program relative to control populations, and from administrative data. Because of the small segment of these populations who were on VWPR (SWA), and the practical problems of achieving participation by often highly vulnerable participants in surveys, these analyses were generally of limited value for exploring changes in wellbeing for this group. A consequence of this is that the evaluations were largely reliant upon qualitative reports for assessing changes in outcomes.

In some cases, however, the quantitative indicators drawn from administrative data, while not statistically significant, pointed to some potential positive change. The PBIM evaluation noted:

Although findings were not significant, secondary data analysis indicated that the PBIM program potentially had some positive influence on the housing stability experienced by VULN-SWA (social worker assessed) and VIM customers. No such trend was observed for VULN-AT (automatic) customers (Deloitte 2015a: iii).

This finding tended to be supported by evidence drawn from interviews with intermediaries. For example: ‘Housing authority staff reported that a high proportion of customers who were placed on income management were better able to maintain their bills and rental payments and were therefore at less risk of eviction’ (Deloitte 2015a: 101).

Indeed, in response to analysis within the NSW Department of Family and Community Services, the State Minister called upon the Commonwealth to expand the program:

Since August last year FaCS has referred 49 public housing tenants from the Bankstown trial site to Centrelink social workers for income management assessment In over sixty per cent of cases these tenants have either completely cleared or significantly reduced their rental arrears under a repayment plan. This is a great result for our tenants, and one which suggests we should consider expanding the program (Goward 2014).

In the case of the NIM evaluation, no consistent or significant improvement in financial management outcomes could be identified for those on VWPR (SWA) using indicators such as failed BasicsCard transactions or the number of replacement cards. There was a slight improvement in the amount of time spent with a very low balance in a person’s income management account. This latter finding, however, was potentially also affected by changes in payment rates and some supplementary payments.

Drawing upon qualitative sources, the NIM evaluation reported:

Third-party consultants consistently identified the measure as making a positive contribution to the wellbeing of these clients. This included contributing to a reduction in alcohol or drug consumption, stabilisation of the person’s living situation, or ensuring access to community support services, such as Home and Community Care (HACC) and Meals on Wheels.

The social worker assessment report review¹³ also indicated that 11 of the 16 clients who were involved in their assessment process believed that income management had been beneficial. Identified benefits included ensuring that money was available for the purchase of food and other essential items, and assisting people to refuse requests from others for money (financial harassment) (Bray et al. 2014: 272).

Nonetheless, it did note more muted views about the actual achievements of the program by social workers, especially related to the broader objectives:

Most of the DHS social workers who took part in the focus groups viewed the Vulnerable measure as having a limited but important impact on people subject to Vulnerable Income Management. Social workers frequently used the term ‘harm minimisation’, acknowledging that while the measure did not resolve the issues or vulnerabilities experienced by people, it did assist with providing for people’s basic needs (2014: 271–272).

Typical of this was an observation that the measure was: ‘containing the worst of [financial] exploitation but it doesn’t stop it’ (2014: 273). Additionally, the report noted social workers’ observations that most of the people they they assessed for the vulnerable measure experienced some form of alcohol or drug abuse. Taking these findings together led the evaluation to conclude:

While there were differing views about the appropriateness of the measure, most social workers felt that it was beneficial for certain people in that it provided a level of assurance that their money would be spent on basic necessities and that they would not go hungry.

There was a consensus that the measure provides a degree of ‘harm minimisation’ but does not address the underlying chronic difficulties of the clients which, in their view, require a high level of support that is often not available (2014: 277).

While such a finding does not suggest that VWPR (SWA) is able to effect significant changes in the ability of people to manage their lives – and indeed the data on duration reinforces the concept of the program being one of long-term management and support – it does point to potentially improved wellbeing and protection for a specific group of highly vulnerable individuals from this more interventionist approach.

As has been noted earlier, while not strong, this finding stands in marked contrast to the more general findings around compulsory income management as a whole, which could not find any beneficial outcomes, and the possibility that ‘rather than promoting independence and the building of skills and capabilities ... appears to have encouraged increasing dependence upon the welfare system’ (Bray et al. 2014: xxii). Similarly the PBIM evaluation, which identified positive outcomes for those on the voluntary component and, as reported here, some indications of benefit for those on the VWPR (SWA), was unable to find such gains for those automatically placed on the measure.

Conclusion

Social worker assessed vulnerable income management is a highly targeted intervention which impacts upon some of the most vulnerable income support recipients in the community. While it is a very small component of the overall range of income management programs introduced in recent years in Australia, it has often been identified in public debate as a preferred approach.

In many ways the small size of the program and its assessment processes, which require considerable input by Centrelink social workers, has resulted in it receiving far less attention than other forms of income management programs, which are dominated by automatic processes that place large cohorts of income support recipients onto the measure based on criteria related to the payments they are on, and the time they have been in receipt of these. Not only has this made evaluating it difficult, but it has also contributed to this element of the program almost having been terminated.

Notwithstanding the limited scope for measuring outcomes, and the limited indications of actual change in those measures that have been used, the balance of professional views about social worker assessed vulnerable income management is positive. Many of these professionals saw this form of income management as a means of providing support to some of the most disadvantaged and vulnerable recipients of income support, who had poor outcomes and a low capacity to self manage. Here the program was viewed as being needed as an ongoing intervention. In other cases there was a view that it may serve as a 'holding mechanism' while other interventions could be sought to address the underlying problems these people faced. In some cases the program had operated as a catalyst to develop a better understanding of the needs of particular clients and enabled better focused internal and external service provision to them.

There do remain many questions, including whether any improvements in wellbeing of people on the vulnerable measure can be attributed to their income being managed, or to the additional attention offered by Centrelink social workers and others. Nevertheless, there remains a strong sense that the type of individualised targeting used in this program has been far more effective than the automatic processes that have placed large numbers of people onto the program without regard to their individual circumstances and ability to manage.

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Endnotes

- ¹ While automatic, there is some provision for exclusion from being placed on the program. The criteria for exemption is that it is either impracticable to place a person on income management, or because it would place the person's wellbeing at risk. As at January 2016, 99 people were excluded under the first criterion and 39 under the second (DSS 2016). This represents an exclusion rate of 4.9 per cent of the potential population of 2,796 (those on the measure or excluded).
- ² A number of income support payments including Youth Allowance and the Disability Support Pension pay different rates to young people on the basis of whether they are considered to be independent. Independent status, which results in a higher rate of payment, is primarily based on having been self-supported by employment, living in an established relationship, or having a child. Young people may, in addition, be entitled to this higher rate if it is established that it is unreasonable for them to live at home with their parents. The grounds for such an assessment include: extreme family breakdown; risk to physical and mental wellbeing because of family violence, abuse, or neglect; or parental homelessness. These latter are the UTLAH provisions.
- ³ Crisis Payment is a one-off payment, equal to one week of income support, made to people who are experiencing difficult or extreme circumstances. Eligibility is associated with particular triggers including, in addition to prison release: being a victim of domestic violence; natural disasters; release from psychiatric confinement; and for certain categories of refugees and humanitarian arrivals. It is only payable where people have limited financial resources.
- ⁴ The number of people on VWPR (SWA) in the NT as at 1 January 2016 is 164 – the same as the number on the program as at the end of December 2013.
- ⁵ Participants who chose to go onto VIM, unlike those on other elements of income management, were entitled to an incentive payment that was \$250 for every 26 weeks they remained on the program. This payment ceased being made as of 28 December 2015, other than for any existing 26-week period commenced prior to that date.
- ⁶ There was a hierarchy of income management programs under which people were to be placed on the highest-ranked initiative, and within this VWPR was ranked above the automatic time-based compulsory measures; hence those on the automatic program could be placed on VWPR. However, generally it was perceived there was little merit in doing so. Both of these programs resulted in the same proportion of funds being subject to income management with the crucial difference being the ability on the automatic measures to seek an exemption, something those likely to be identified for VWPR were unlikely to obtain. This differed from the situation of Child Protection Income Management, where placement involved a higher proportion (70 per cent) of payments being income managed.

- ⁷ The review consisted of a case file analysis of 30 randomly selected cases of individuals subject to VWPR (SWA).
- ⁸ The Department of Human Services 2014-15 Annual Report states: 'At 30 June 2015 the department had 741 qualified social workers located in service centres, smart centres, remote servicing teams and community outreach roles' (DHS 2015: 61).
- ⁹ In part this attitude is related not just to the VWPR as such, but also more broadly to all of the elements of income management. One social worker sought to differentiate these in terms of VWPR and Child Protection Income Management being to 'nurture and support and protect' individuals, and VIM 'about giving people options', but having some concerns that other forms of compulsory income management were verging on the punitive (Bray et al. 2012: 161).
- ¹⁰ Specifically, the Deloitte evaluation reports some DHS social workers said that this strategy was recommended in the training sessions they attended. The Department advised the evaluators that this was not part of the formal training (Deloitte 2014a: 137).
- ¹¹ The perception of 'risk' associated with taking on a case management role appears to reflect the primary focus of the social work role in Centrelink which is directed at crisis and other short-term intervention associated with supporting people with respect to access to income support and related services. The Department of Human Services describes the role in terms of: 'Social workers can provide short term counselling, support and information to help you through a difficult time and refer you to other support services.' (DHS 2016).
- ¹² On the other hand, it is noted in terms of social work practice that assessment interviews of two hours are not out of step with what may be required for people with significant vulnerabilities and poor outcomes.
- ¹³ This refers to the analysis of anonymised case files of clients on VWPR (SWA) income management.

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