

Place Based Income  
Management - Medium  
Term Outcomes  
Evaluation Report

Department of Social Services

9 April 2015

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# Glossary

<b>Acronym or word</b>	<b>Meaning or definition</b>
ABSTUDY	Payment to Aboriginal and Torres Strait Islander Australians who are studying or undertaking an Australian Apprenticeship.
AES	Australian Evaluation Society
ARO	authorised review officer
BAFW	Building Australia's Future Workforce
BasicsCard	a card that can be used to provide payment for the purchase of necessary items at approved retailers
CALD	culturally and linguistically diverse
CATI	computer-assisted telephone interviewing
CENTREPAY	a direct bill-paying service offered to customers receiving DHS payments
CPIM	Child Protection Income Management
CRP	crisis payment
CSO	Customer Service Officer
DHS	Department of Human Services
DSP	Disability Support Pension
DSS	Department of Social Services
DVA	Department of Veterans Affairs
FC	financial counselling
FMPS	Financial Management Program Services
GAL	Government Action Leaders
HREC	human research ethics committee
IMCO	Income Management Contact Officer
ISP	income support payment
LGA	local government area
MMC	money management course
MMS	Money Management Service
MSP	Matched Savings Payment
NIM	New Income Management
NSW	New South Wales
NT	Northern Territory
PBIM	Place Based Income Management
SA	South Australia

<b>Acronym or word</b>	<b>Meaning or definition</b>
SSAT	Social Security Appeals Tribunal
UTLAH	Unreasonable to Live at Home
VEA	Veterans' Entitlements Act
VIM	Voluntary Income Management
VIP	Voluntary Incentive Payment
VULN	Vulnerable Income Management
VULN-AT	VULN Automatic Trigger
VULN-SWA	VULN Social Worker Assessed
YAL	Youth Allowance
ZIMCO	Zone Income Management Contact Officers

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# Executive Summary

## Place Based Income Management

Place Based Income Management (PBIM) is a trial which was initiated as a part of the *Better Futures, Local Solutions* place-based initiatives, within the Building Australia's Future Workforce (BAFW) package. This package is a group of initiatives which aim to assist vulnerable families and children, and to enhance opportunities for people to enter or return to the workforce. The PBIM trial is overseen by the Department of Social Services (DSS).

The PBIM trial commenced in the following five sites across Australia in July 2012:

- Playford (South Australia)
- Greater Shepparton (Victoria)
- Bankstown (New South Wales)
- Rockhampton (Queensland)
- Logan (Queensland).

The purpose of income management is to assist people on welfare payments with financial stability, and to help them to direct their funds to meeting priority needs such as food, housing, clothing and utilities.

There are three measures in the PBIM trial sites:

- **The Voluntary Measure (VIM)** – for people on welfare payments who wish to volunteer for income management to assist them to meet their priority needs and to learn how to manage their finances for themselves and/or their family in the long-term
- **The Vulnerable Measure (VULN)** – for vulnerable welfare payment recipients where a Department of Human Services (DHS) social worker assesses they would benefit from income management where they are vulnerable to factors including financial hardship, economic abuse or financial exploitation and homelessness/risk of homelessness. The eligibility for this measure was expanded in July 2013 to include the following customers:
  - under 16 years of age receiving the Special Benefits Payment
  - on the Unreasonable to Live at Home (UTLAH) independent rate of payment for Youth Allowance (YAL), Disability Support Pension (DSP), or ABSTUDY
  - under the age of 25 years and receiving the Crisis Payment due to prison release.
- **The Child Protection Measure (CPIM)** – for parents, carers or young people referred for income management by a child protection worker, if the worker deems that income management might contribute to improved outcomes for children or young people, particularly those at risk of neglect. This measure is applied at the discretion of a State or Territory child protection worker.

## Deloitte Access Economics Evaluation

In 2012, Deloitte Access Economics was commissioned by DSS to independently develop an evaluation framework for assessing the process and outcomes of the PBIM scheme in trial sites between 2012 and 2015.

The evaluation framework outlines five key data collection methods which are being used across multiple stages of evaluation. The methods employed across the evaluation include:

- a longitudinal survey of customers referred to an IM measure and a comparison group of customers on similar trigger welfare payments
- secondary data analysis
- face-to-face interviews with customers referred to PBIM
- online surveys with DHS service delivery staff, BasicsCard merchants and Financial Management Program Service (FMPS) staff
- stakeholder interviews and focus groups with DHS staff, child protection staff and housing authority representatives in relevant jurisdictions.

Over the course of the evaluation, Deloitte Access Economics will deliver four reports in addition to the evaluation framework. This report is the third of the evaluative reports, preceded by the Baseline Report and the Process and Short Term Outcomes Report.

The purpose of this report is to evaluate the PBIM trial against medium term outcome questions defined in the evaluation framework. It draws upon secondary data analysis, face-to-face interviews with PBIM customers, online surveys and stakeholder interviews and focus groups with DHS staff, child protection staff and housing authority representatives.

All of these methods have been utilised and reported on through past reports as a part of this evaluation. The information provided in this report is the most recent analysis; however, it is best considered in conjunction with the findings reported in previous papers.

A final evaluation report will be released in April 2015 which will draw together findings from all sources of data to date as well as present findings from the final wave of the longitudinal survey.

## Summary of outcomes

The following summary points outline key findings relating to medium term outcomes of participation in the PBIM program that are reported in this paper:

- **Financial stability and financial capability.** Findings from all data sources indicated that at least in the short term, the PBIM program had a positive influence over financial stability and management for many customers. Customer interviews indicated that this positivity was not, however, shared by all; reports – predominantly from the VULN-AT (automatic trigger) cohort – indicated that the program was at times inflexible and not well suited to their financial circumstances.

There was a low level of attendance at financial counselling services recorded across all measures. DHS staff noted that on account of this, financial management capabilities may not be ingrained in participants beyond the lifespan of the program.

Enrolment levels in money management courses (MMCs) were higher among compulsory PBIM customers; however, this difference between measures was not reflected in course completion

rates. The Matched Savings Payment, a savings incentive available to compulsory PBIM customers tied to completion of MMCs and a savings goal, did not appear to have an impact on course participation.

- **Child wellbeing.** Staff indicated that to date, positive impacts have been observed to flow from participation in the PBIM program on child wellbeing – particularly in that the program assisted in improving customers’ housing stability. Stable accommodation was seen as a conduit for improving the health, education and mental wellbeing of children in the care of program participants.

Interviews with Child Protection and DHS staff indicated that the CPIM measure had proven useful in situations where poor financial management and lack of housing stability contributed to child abuse. Overall, however, the CPIM measure has had a low level of uptake across all trial sites. Staff in the focus groups reported that the requirement that consumers consented to the release of their personal information to DHS presented the greatest barrier for its use as a casework tool. The service gap between state administered child protection and the federally administered PBIM was also seen to drive complexities in administration of the measure.

- **Alcohol, tobacco and gambling.** Interviewed customers and staff noted that in the short to medium term, they could recall instances where the PBIM program had encouraged reduced spending and dependence on alcohol, tobacco and gambling. Several customers noted that the program had been beneficial in assisting them to manage addictions. Indeed, staff provided examples of customers who had requested that a higher proportion of their funds be subject to income management to further assist them in this effort.

Both customers and staff noted however that the spending restrictions imposed by the program could be ‘worked around’. Examples were cited of customers purchasing products on their BasicsCard, returning the same items for cash and then using the cash to purchase items prohibited by the Card. Other methods to circumvent the restrictions of the card included requesting family or friends to purchase prohibited items in return for goods that were able to be purchased using the BasicsCard (for example, groceries). It should be noted that DHS has many reviews/programme assurance processes in place. Tipoffs are also investigated.

- **Housing stability.** 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 customers.

Staff and customers noted that for VULN-AT customers, housing appeared to tend towards more informal arrangements. At times, the income management processes were viewed as inflexible in their capacity to provide for individuals engaged in informal housing arrangements.

- **Differences between measures.** Interviews with participants indicated that VIM customers were more likely to point to the positive aspects and outcomes of the program than customers who had been placed on a compulsory measure.

VULN-AT customers appear to display the greatest level of discrepancy in perspectives, baseline circumstances and outcomes when compared with other measures. Surveyed VULN-AT individuals tended to harbour more negative sentiments towards the program – feeling that it is ‘unfair’, ‘inappropriate’ and ‘embarrassing’.

As a younger cohort, it has been found in previous reports that these individuals tend to be less vulnerable at baseline than other PBIM customers, particularly in relation to financial vulnerability. The objectives and mechanisms of income management appear to be less frequently aligned with the needs or circumstances of these individuals. For example, staff in all

offices noted that VULN-AT were less likely to have dependent children or have significant financial stressors.

It was, however, noted by some staff that even if the measure was not addressing immediate issues, it was possible that it was helpful in teaching longer term life skills – particularly if combined with financial management courses. Staff noted that in the immediate term, the benefits of the program for the VULN-AT cohort were positive though not as clearly pronounced as for VULN-SWA or VIM customers. Both staff and customers did, however, note that at times the measure was not flexible enough to adapt to the life circumstances of VULN-AT customers.

- **Suggestions for improvement.** In some instances, both customers and staff noted that the program could be improved by a policy change that allowed the proportion of income managed funds to be made manually adjustable. It was also regularly noted by both staff and customers that the number of BasicsCard providers should be expanded to include certain frequently visited vendors (particularly in the supermarket and transport sectors). Staff noted that there was a need for participation in financial counselling services to be increased if financial management skills were to be retained beyond enrolment in PBIM. Finally, both child protection and housing authority staff regarded that an increase in information sharing with DHS could assist in appropriately referring individuals to PBIM.

Overall, this report indicates that PBIM has been perceived in the medium term to have positive impacts in matters of financial and housing stability for some customers. These impacts are reported for and by customers across all measures; however, both customers and staff noted that the VULN-AT cohort tend to have some negative sentiments towards the program and its appropriateness. Further, findings indicated that the CPIM measure continues to be associated with a low rate of participation. Focus groups with staff across the sites noted that the requirement for customer consent in most states can limit participation.

The findings reported in this paper relate to short to medium term outcomes that are considered to relate to the operation of the PBIM trial to date. The final report, due for release in April, will draw together the conclusions of the entire series of reports released under this evaluation-- from 2012 to 2015. The final report will provide conclusions relating to outcomes observed over the entire trial period, drawing on insights from all evaluative tools used through the three year period, as well as recommendations for the future operation of the program.

**Deloitte Access Economics**

# 1 Background

## 1.1 Purpose of this report

This document is the third Deloitte Access Economics evaluation report to be delivered to the Department of Social Services (DSS) as part of the evaluation of Place Based Income Management (PBIM). This report includes findings pertaining to medium-term outcomes of PBIM for customers and stakeholders who have been involved with the measure.

## 1.2 Overview of PBIM and evaluation

### 1.2.1 Purpose and objectives

The 2011–12 Federal budget announced approaches to address disadvantage, including a package to ‘Build Australia’s Future Workforce’ (BAFW). The purpose of the package was to:

- reward work through improved incentives in the tax and transfer system
- provide new opportunities for people to get into work through training, education and improved childcare and employment services
- reintroduce new requirements for the very long-term unemployed, Disability Support Pensioners, young parents, jobless families and young people
- take new approaches to addressing entrenched disadvantage in targeted locations.

As part of this package, the Government identified ten Local Government Areas (LGAs) where additional assistance was to be offered to boost participation and reduce disadvantage. PBIM is being trialled in five of these ten LGAs.

The purpose of PBIM is to help people achieve financial stability and to encourage welfare recipients to spend welfare payments in the best interests of children and families. The scheme directs a proportion of welfare payments for expenditure on priority items including food, housing, clothing and utilities. Income managed funds cannot be spent on alcohol, tobacco, pornographic material or gambling products.<sup>1</sup>

The key objectives of PBIM are to:

- reduce immediate hardship and deprivation by directing welfare payments to the priority needs of recipients, their partner, children and any other dependants
- help affected welfare payment recipients to budget so that they can meet their priority needs
- reduce the amount of discretionary income available for alcohol, gambling, tobacco and pornography
- reduce the likelihood that welfare payment recipients will be subject to harassment and abuse in relation to their welfare payments
- encourage socially responsible behaviour, particularly in the care and education of children.

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<sup>1</sup> More information about PBIM can be found on the DSS website <https://www.dss.gov.au/our-responsibilities/families-and-children/programmes-services/income-management>

### 1.2.2 Voluntary measure

The Voluntary Income Management (VIM) measure is intended to help people better manage their money and ensure that money is available for essential needs. Department of Human Services (DHS) customers can choose to participate in PBIM if they are currently receiving a relevant trigger payment.

Specifically, the eligibility criteria for the measure states that it is for people on welfare payments who wish to volunteer for PBIM to assist them to meet their priority needs and to manage their finances for themselves and/or their family in the long-term.

When a person signs up to VIM they will have to stay on it for at least 13 weeks. After this period they can cease VIM at any time. Under the voluntary measure, 50 per cent of the relevant welfare payment is subject to PBIM.

### 1.2.3 Child protection measure

Child Protection Income Management (CPIM) is an additional tool offered to the state child protection authorities to assist in the management of child abuse, neglect and financial mismanagement. It is a measure intended for parents, carers or young people referred for PBIM by a child protection worker. Child protection authorities will refer people for compulsory PBIM if the child protection worker deems that PBIM might contribute to improved outcomes for children or young people, particularly those at risk of neglect. This measure will apply at the discretion of a State or Territory child protection worker.

At the discretion of the respective State Governments, a customer must consent to the release of their personal details from the child protection authority to DHS in South Australia, Queensland, and Victoria. Consent is not required in New South Wales.

Child protection workers can:

- determine whether or not income management would be helpful to a particular person/family
- make a referral to DHS to income manage a person/family
- determine how long the Child Protection measure is to be applied.

Child protection workers can place a person on PBIM for periods of three, six, nine or twelve months, at which time the worker will review the person's circumstances and determine whether or not income management will be continued.

People who are on PBIM under the Child Protection measure can have their income management notices revoked by the child protection worker where they assess it is no longer needed by the family.

Under the Child Protection measure, 70 per cent of the customer's welfare payments are subject to income management and must be used to address priority needs.

### 1.2.4 Vulnerable measure

The Vulnerable Income Management (VULN) measure provides DHS Social Workers with an additional tool for working with people who are vulnerable and/or at risk. The eligibility criteria were expanded on 1 July 2013, and both sets of eligibility criteria are outlined below.

#### 1.2.4.1 VULN – Social Worker Assessed (VULN-SWA)

Customers can be placed on the VULN measure following assessment by a DHS Social Worker, who determine based on decision making principles set out in a legislative instrument whether the individual is experiencing an indicator of vulnerability (see below); whether this indicator of vulnerability is:

- impacting on their ability to meet their priority needs, or the priority needs of their dependants
- whether PBIM will address the indicator of vulnerability (and will therefore benefit the person).

The indicators of vulnerability include:

- financial hardship
- financial exploitation
- failure to undertake reasonable self-care
- homelessness or risk of homelessness.

Individuals may also be referred to DHS to be assessed for the VULN measure by state housing authorities. It is the decision of the DHS social worker whether an individual is placed on the VULN measure.

Under the VULN measure, 50 per cent of a person's support payment will be allocated to address priority needs, and people can be placed on the VULN measure for up to 12 months. At the end of 12 months, the VULN measure can be continued by a social worker if the person continues to meet the eligibility criteria for the measure.

A person placed on the VULN measure has access to full DHS review and appeal rights. They can also ask the social worker to reconsider their circumstances every 90 days. A social worker may revoke the determination to place a person on the VULN measure at any time.

Community agencies and state housing authorities can also contact DHS directly to discuss whether PBIM may be an option for customers they have concerns about.

#### 1.2.4.2 VULN – Automatic Trigger (VULN-AT)

On 1 July 2013, the eligibility for the VULN measure was expanded by DSS based on an assessment of data from the New Income Management (NIM) in the Northern Territory (NT) evaluation report.<sup>2</sup> The eligibility was expanded to include certain automatic youth trigger payments that apply to people:

- who live in an area where the VULN measure is in place; and
- under 16 years granted the Special Benefit payment, or
- over 16 years granted the Unreasonable To Live At Home (UTLAH) rate of payment for YAL, DSP, or ABSTUDY, or
- under 25 years who receive a crisis payment (CRP) due to prison release.

More information on trigger payments is provided in Section 1.2.5.

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<sup>2</sup> The full report can be found at the link Evaluating Income Management in the Northern Territory - First Evaluation Report: <https://www.dss.gov.au/our-responsibilities/families-and-children/programs-services/income-management/evaluating-new-income-management-in-the-northern-territory-first-evaluation-report>

A social worker is responsible for determining whether a person will be granted an exclusion from VULN-AT. An exclusion from the specific criteria will apply if:

- the vulnerable measure of income management would, due to specific and unusual individual circumstances, place the person's mental, physical or emotional wellbeing at risk, or
- it is not practicable to income manage a person under the VULN measure.

An exclusion from the specific criteria will apply for 12 months unless ended earlier at the social worker's discretion. At the end of the exclusion period, a person can request, and/or a social worker may determine that the exclusion be continued. If the exclusion no longer applies and the person meets the criteria for VULN, they will again be placed on that measure of PBIM.

A person will also be excluded if they become a full-time student or apprentice. A person will not have to apply for this exclusion, and will be eligible for as long as they are a full-time student or apprentice. When exclusion is granted, the person is no longer considered to be a vulnerable welfare payment recipient through the youth triggers. During the exclusion period a person may elect to participate in VIM. While the person remains on VIM the youth triggers will not apply.

### 1.2.5 Trigger payments

Under the VULN-SWA and VIM measures, a person must be receiving a category H payment, while under the CPIM measure the person or their partner must be receiving a category H payment.

Below is a list of category H Welfare Payments under the Social Security Act<sup>3</sup>:

- social security benefit:
  - Widow allowance
  - Youth allowance
  - Austudy payment
  - Newstart allowance
  - Sickness allowance
  - Special benefit
  - Partner allowance
  - a Mature Age Allowance under Part 2.12B of the Social Security Act
  - Parenting Payment (partnered)
  - Parenting Allowance (other than non-benefit allowance).
- social security pension:
  - Age pension
  - Disability support pension
  - Wife pension
  - Carer payment
  - Parenting payment (single)
  - Bereavement allowance
  - Widow B pension<sup>4</sup>

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<sup>3</sup> The Guide to Social Security Law can be found at: <http://guides.dss.gov.au/guide-social-security-law>

- Disability wage supplement
- Mature age partner allowance
- Special needs pension.
- a payment under the ABSTUDY scheme that includes an amount as identified as living allowance
- a Department of Veterans Affairs (DVA) service pension:
  - Age Service Pension under Part III of the Veterans' Entitlements Act (VEA) 1986
  - Invalidity Service Pension under Part III of the VEA
  - Partner Service Pension under Part III of the VEA
  - Carer Service Pension under Part III of the VEA.
- a DVA welfare payment supplement
- a DVA defence force welfare payment allowance.

### 1.2.6 Trial and comparison sites

The evaluation has a national perspective, comparing five trial sites with PBIM and five comparison sites without PBIM. Note that Tasmania does not have a PBIM trial site but has a comparison site. Selected characteristics of the populations of the trial and comparison sites are summarised in Table 1.1.

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<sup>4</sup> Widow B Pension is a payment for an older widow who did not qualify for a Parenting Payment, has limited means, and has lost the financial support of their partner

Table 1.1: Characteristics of the general populations of trial and comparison sites

Site	Total population 2010 <sup>(a)</sup>	Per cent female 2010 <sup>(a)</sup>	Per cent Indigenous 2010 <sup>(b)</sup>	Per cent born overseas 2006 <sup>(c)</sup>	Per cent speak language other than English at home 2006 <sup>(c)</sup>	Per cent poor proficiency in English 2006 <sup>(c)</sup>	Per cent working age population dependent on welfare payments 2012 <sup>(d)</sup>	Per cent workforce unemployed 2012 <sup>(d)</sup>
<b>Trial</b>								
Logan	282,673	50.0	2.7	27.2	13.0	1.7	16.5	8.4
Rockhampton	115,526	49.5	6.3	7.4	3.3	0.4	15.4	7.2
Bankstown	188,814	50.6	0.7	38.7	53.7	9.0	15.9	8.1
Greater Shepparton	63,335	50.4	3.2	11.7	10.4	1.9	18.3	8.7
Playford	79,850	50.3	2.7	23.9	7.2	1.1	28.3	14.2
<b>Comparison</b>								
Hume	171,996	50.0	0.6	31.4	38.3	5.7	17.1	8.8
Burnie	19,892	51.4	4.6	8.4	2.2	0.2	22.5	9.3
Wyong	151,527	51.9	2.8	12.7	3.7	0.3	19.9	6.6
Shellharbour	67,797	50.6	2.3	19.5	11.3	1.5	15.6	7.4
Canterbury <sup>(e)</sup>	129,963	49.7	0.6	46.9	69.9	26.0	15.2 <sup>(f)</sup>	7.9

Sources: (a) ABS 3235. Population by Age and Sex, Regions of Australia; Estimated Resident Population 30 June 2010. (b) ABS Census 2006 projected to ERP 2010. (c) ABS Census 2006 (Basic Community Profile). (d) BAFW Service Maps and background information prepared by the GALs, February 2012. (e) Note that Canterbury is not a BAFW site but all other comparison sites are. (f) The proportion of those on welfare payments for Canterbury is sourced from the Priority Areas Keep Australia Working Regional Employment Plan 2010, which reports a single rate for the Canterbury-Bankstown and South Western Sydney priority employment area.

## 1.3 Evaluation overview

### 1.3.1 Aim and scope

The objective of the evaluation of PBIM is to provide DSS with an independent and expert evaluation of PBIM implementation and outcomes over the course of the PBIM trial, from 2012 and 2015. The overarching aim of evaluation is to contribute to future policy decisions about PBIM and welfare reforms.

The project comprises a process evaluation and an outcome evaluation:

- The **Process Evaluation** which aims to determine the effectiveness with which PBIM was implemented — that is, whether it was delivered as intended to the eligible population (including access to necessary services).
- The **Outcome Evaluation** which aims to assess the impact of PBIM at the individual and family level over the short, medium and, where possible, longer term.

The evaluation framework has been aligned, where appropriate, with the parameters of another evaluation of income management running concurrently; NIM in the NT. However, the PBIM evaluation has also been designed to reflect the unique characteristics and operating context of the PBIM trial.

Pre-specified evaluation requirements were that:

- the evaluation would collect baseline data and include analysis of a comparison group (of individuals from other BAFW sites that have not implemented the PBIM policy) and
- findings would be based on:
  - administrative data from the DHS, Money Management Service Providers and State governments (including child protection and housing authorities) and
  - survey-based data and in-depth interviews from employees from the above agencies, from people subject to PBIM and from people in the comparison group.

### 1.3.2 Ethics review and guiding principles

Bellberry Human Research Ethics Committee (HREC) has ethically reviewed and provided ethics approval for the evaluation framework. Bellberry HREC is constituted and operates in accordance with the National Health and Medical Research Council's National Statement on Ethical Conduct in Human Research (2007).

The conduct and reporting of this evaluation has been guided by the Australasian Evaluation Society *Guidelines for the ethical conduct of evaluations* (AES 2010).

### 1.3.3 Program logic framework

As part of the evaluation of PBIM the existing program logic map developed by DSS was refined to provide a more detailed examination of the logic of each of three income management measures, and to capture some of the variation in activities, outputs and

outcomes across the three income management measures. The program logic maps can be found in the PBIM evaluation framework, which is accessible on the DSS website.<sup>5</sup>

The refined program logic maps include consolidation of some of the short, medium and long-term outcomes of PBIM so that clusters of these outcomes are grouped together where they are interrelated or likely to co-occur. Outcomes have been retained in the program logic where they demonstrate a clear logical link to either an output or an earlier outcome. The outcomes articulated in these maps have been used to inform the design of the primary data collection tools and the secondary data analysis strategy.

It should be noted that the program logic depicts the key program delivery components of PBIM and link the activities and outputs with the short, medium and long-term outcomes. To assist interpretation, not all aspects of PBIM are depicted in the program logic maps. The following are definitions of the key components of the program logic maps:

- **Inputs** – describes the funding and other un-costed resources which have been allocated to the program.
- **Activities** – describes what the program is funded to deliver.
- **Outputs** – describes the deliverables or units of delivery generated by the program, these can be quantified if there are pre-established funding targets or unquantified if the quantum of service delivery cannot be accurately estimated.
- **Short-term outcomes** – the impacts or consequences of the outputs defined in accordance with the program objectives, which are likely to occur within the first year of program implementation.
- **Medium term outcomes** – the impacts or consequences of the outputs, or of the short-term outcomes, defined in accordance with program objectives, which are likely to occur within the first three years of program implementation.
- **Long-term outcomes** – the impact or consequences of the outputs, or of the short and medium term outcomes, defined in accordance with the program objectives, which are likely to occur in the next four to 10 years of program delivery. These are out of scope for the evaluation framework due to the timeframe for their realisation.

Finally it should be noted that program logic maps embody the intended outcomes of the proposed policy or program – they provide a theory of how the program will work. The evaluation then provides an opportunity to test this theory, and ultimately provides feedback on the strength of the underlying logic of the program or policy, where intended outcomes are realised, or alternatively not realised.

### **1.3.3.1 External influences on income management**

PBIM operates as a part of a broader system, and a range of factors external to the PBIM will also influence the outcomes achieved. For example:

- other BAFW initiatives delivered across all of the PBIM trial sites which were designed to address the needs of similar socio-demographic groups and which overlap to some extent

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<sup>5</sup> Link to online copy of the Evaluation Framework for PBIM, including program logic maps:  
<https://www.dss.gov.au/our-responsibilities/families-and-children/publications-articles/evaluation-framework-for-place-based-income-management>

in their intended outcomes (note that funding for BAFW was discontinued in the 2014-15 budget)

- a number of state government initiatives which are being implemented over a similar period, and again are looking to provide support to disadvantaged and/or welfare dependent populations
- services provided by state governments, in particular child protection and housing authorities, will have a significant bearing on outcomes for this customer group
- variations in socio-demographic and cultural factors across the trial sites may also influence the ability of PBIM to achieve its intended objectives.

The existence of these external factors means that conclusions about the attribution of outcomes to PBIM alone will need to be made with care, and the evaluation of PBIM will need to bear in mind the impact of these other influences on outcomes. Proximal (short-term) outcomes can be attributed to the program with a greater degree of confidence than more distal (long-term) outcomes, as they tend to reflect the unique contribution of the individual programs, while the longer term outcomes tend to reflect multiple causal factors and input streams. In this way measurement of short and medium term outcomes can assist in determining the unique contribution of the program to long-term outcomes.

### 1.3.3.2 Customer pathway maps

Customer pathway maps were developed to provide a conceptual overview of the service delivery pathway for customers who are placed on the three income management measures (Voluntary, Vulnerable and Child Protection), from the initial referral through to the completion of the PBIM notice period and exit from the measure. These visual maps have been based on written process maps developed by DHS, and through consultation with DSS.

The process maps for each of the income management measures can be found in the PBIM evaluation framework, which is accessible on the DSS website.<sup>6</sup>

### 1.3.4 Evaluation governance

A Steering Committee and Advisory Group have been established as part of the governance framework for the evaluation.

The **Steering Committee** comprises senior representatives from the Families Group and the Policy Office of DSS. The Steering Committee's role is to oversee the evaluation and sign off on deliverables.

The **Advisory Group** comprises representatives from DSS, the Australian Government DHS and each of the affected states (Queensland, New South Wales (NSW), Victoria, South Australia (SA), and Tasmania). The role of the Advisory Group is to provide advice to the evaluation team in relation to:

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<sup>6</sup> Link to online copy of the Evaluation Framework for PBIM, including customer pathway maps, <https://www.dss.gov.au/our-responsibilities/families-and-children/publications-articles/evaluation-framework-for-place-based-income-management>

- Commonwealth or state government policies, programs and services operating at the trial and comparison sites which may affect the design or delivery of the evaluation, or which may affect its data
- Commonwealth or state government data or information relevant to the evaluation and arrangements for access
- interpretation and analysis of Commonwealth or state government data
- contact names and details for relevant Commonwealth or state government staff or other (non-government) stakeholders relevant to the evaluation
- feedback on evaluation design issues through review of the evaluation framework
- nuanced understanding of data from the qualitative and quantitative analyses conducted as part of the evaluation.

## 2 Methodology

The evaluation methodology for PBIM was designed with reference to the program logic maps for the income management measures, in particular the key outcomes that were intended for each of the measures, in addition to the guiding evaluation questions.

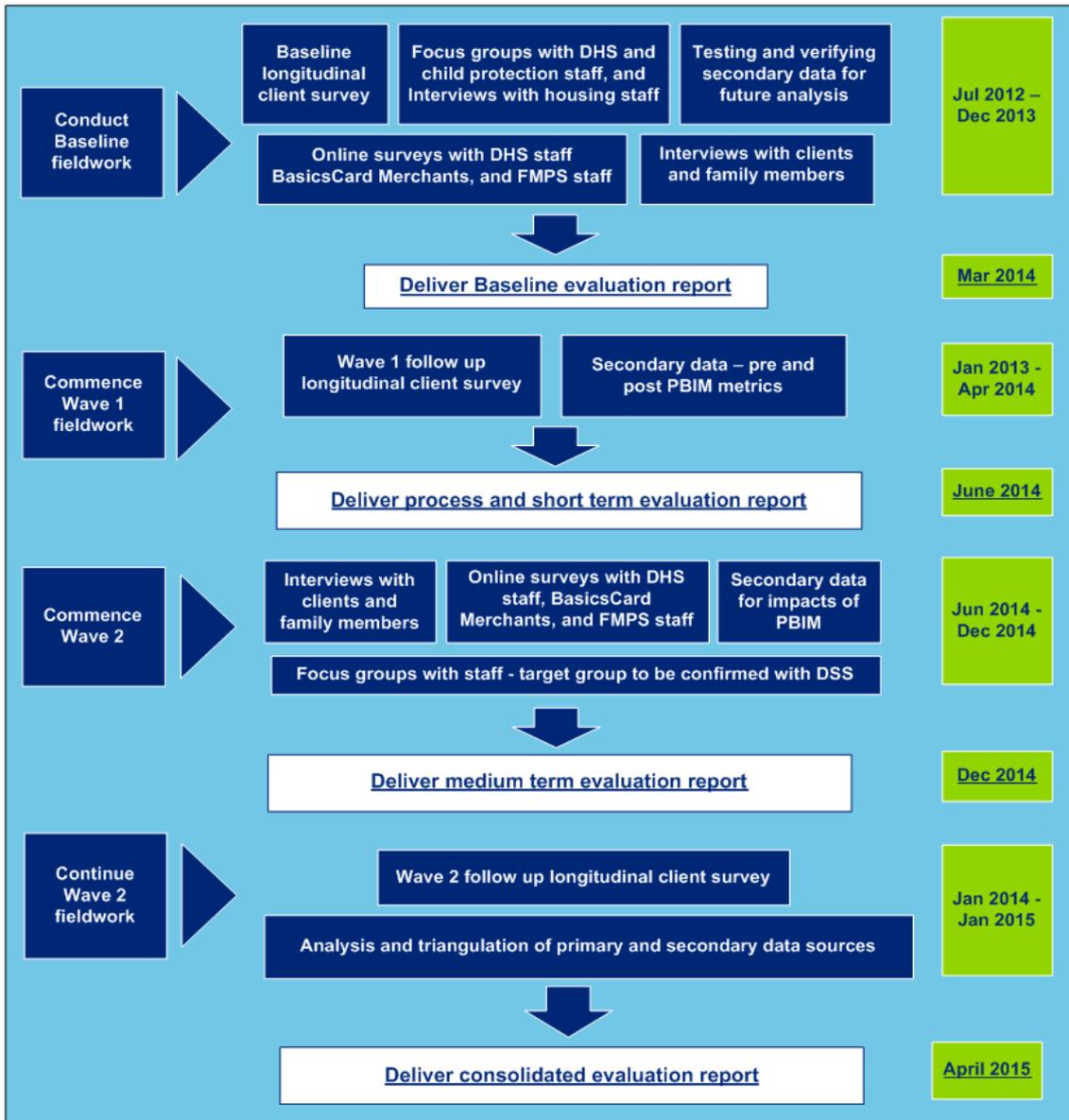
Figure 2.1 presents as overview of the methodology employed in the PBIM evaluation. Methodology timeframes have changed since the initial framework was developed for the evaluation.<sup>7</sup> The primary reason for changes to timeframes was to extend the baseline fieldwork period for the longitudinal customer survey, to allow adequate time for recruitment of a sufficient sample size for the survey given low initial referral rates for the measures and to take into account the new youth triggers.

This report draws upon four of the five data sources that are utilised through the evaluation – secondary data, face-to-face interviews, focus groups and interviews, and surveys of service providers. The methodology for each of these data sources is detailed in the sections which follow.

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<sup>7</sup> Link to online copy of the Evaluation Framework for PBIM, including customer pathway maps: <https://www.dss.gov.au/our-responsibilities/families-and-children/publications-articles/evaluation-framework-for-place-based-income-management>

Figure 2.1: Methodology Overview



The evaluation questions for PBIM are presented in the Table 2.2 below, against each of the evaluation reports in which they will be addressed. As can be seen in the table, this medium term outcome report addresses a series of outcomes-related evaluation questions.

**Table 2.2: Evaluation questions linked to evaluation reports**

<b>Questions</b>	<b>Baseline Report (Jan 2014)</b>	<b>Process &amp; short-term outcome report (June 2014)</b>	<b>Medium term outcome report (this report)</b>	<b>Consolidated evaluation report (Apr 2015)</b>
<b>Process evaluation questions</b>				
What is the profile of people on the different income management measures?	YES	NO	NO	NO
What are the characteristics of those on PBIM? How do the characteristics of PBIM customers compare with the eligibility criteria for placement on PBIM?	YES	YES	NO	NO
How effectively has PBIM been administered and implemented? What are the regional/jurisdictional variations (if any)?	YES	YES	NO	NO
What has been the effect of the introduction of PBIM on service providers?	YES	YES	NO	NO
What is the level of take-up of Financial Management Program Services?	YES	YES	NO	NO
What is the level of take-up of other relevant support services (e.g. Communities for Children)?	NO	YES	NO	NO
Have there been any initial process 'teething issues' that need to be addressed?	YES	NO	NO	NO
What are the views of participants in the PBIM model and their families on the implementation of the project?	YES	NO	NO	NO
<b>Outcome evaluation questions</b>				
What are the short, medium and (where possible) longer-term impacts of PBIM on individuals, their families (particularly their children) and communities? Consider unintended consequences, positive and negative.	NO	YES	YES	YES
How do these effects differ for the various measures of the project?	NO	YES	YES	YES
Have there been changes in spending patterns, food, alcohol, gambling, and pornography and tobacco consumption?	NO	YES	YES	YES

<b>Questions</b>	<b>Baseline Report (Jan 2014)</b>	<b>Process &amp; short-term outcome report (June 2014)</b>	<b>Medium term outcome report (this report)</b>	<b>Consolidated evaluation report (Apr 2015)</b>
Has PBIM contributed to changes to financial management, child wellbeing, alcohol abuse, housing and homelessness, violence and child neglect?	NO	YES	YES	YES
What impact has the Matched Savings Payment had on customers' ability to manage their money, including savings?	No	YES	YES	YES
Do the three measures achieve appropriate outcomes (based on the aims of each measure and of PBIM) for their participants?	NO	YES	YES	YES
Are there synergies or complementarities between PBIM and other place-based measures?	NO	YES	YES	YES
Has the outcome of PBIM differed across different groups, for example, women, Indigenous people and people from culturally and linguistically diverse backgrounds? Consider also – if sufficient data is available – location, age, educational status, work status, type of payment, length of time on welfare payments and family composition.	NO	YES	YES	YES
Is there a stigma attached to PBIM and/or the BasicsCard (in the view of people on PBIM and merchants)?	NO	YES	NO	NO
<b>Child protection measure</b>				
What has been the impact of PBIM on child neglect/abuse?	NO	NO	YES	NO
What has been the impact on child physical and mental wellbeing in those families referred to child protection services?	NO	NO	YES	NO
What are the barriers and facilitating factors for child protection workers to use PBIM as a casework tool?	NO	NO	YES	NO
Has there been referral to, and use of, Family Support Services, including Commonwealth and State Government	NO	NO	YES	NO

Questions	Baseline Report (Jan 2014)	Process & short-term outcome report (June 2014)	Medium term outcome report (this report)	Consolidated evaluation report (Apr 2015)
funded services, by families income managed under child protection services?				
What (if any) service delivery gaps have impacted on the usefulness of the child protection services?	NO	NO	YES	NO
<b>Vulnerable measure</b>				
Are vulnerable people appropriately selected by this measure?	NO	YES	NO	NO
How does PBIM impact on the vulnerability of individuals?	NO	YES	YES	YES
Has PBIM had an impact on addressing homelessness and housing security?	NO	YES	YES	YES
Has PBIM had an impact on addressing financial crisis and financial exploitation?	NO	YES	YES	YES
Has PBIM made people less willing to disclose their problems to social workers for fear of being placed on PBIM?	NO	NO	YES	NO
<b>Voluntary measure</b>				
Have people who volunteered for PBIM been able to make an informed choice, by properly understanding terms and conditions and the voluntary nature of the measure?	NO	YES	NO	NO
How long do voluntary PBIM recipients stay on the measure?	NO	YES	YES	YES
What are the key motivations for people who voluntarily access PBIM, and why do they stop?	NO	YES	NO	NO
What impact has the Voluntary Income Management Incentive Payment had on take-up and retention rates of VIM?	NO	YES	NO	NO

## 2.2 Secondary data analysis

### 2.2.1 Secondary data

The secondary datasets which have been drawn on through this evaluation are as follows:

- Centrelink customer records
- PBIM administrative data
- BasicsCard transaction logs
- BasicsCard expenditure in selected supermarkets and department stores<sup>8</sup>
- BasicsCard merchant details
- Money Management Service reports as submitted to the Department of Social Services
- ABS Socio-economic Indexes for Areas (SEIFA), 2011.

Overall, data was extracted for 3801 customers who had identified as having participated in PBIM between 1 July 2012 and 30 June 2014. The distribution of these customers by measure is provided in Table 2.3.

**Table 2.3: Total PBIM customers, by measure from July 2012 to June 2014**

Measure	Total PBIM Customers
VIM	854
CPIM	8
VULN-SWA	103
VULN-AT	2836
Total	3801

By definition, secondary data is extracted from systems which are designed for another primary purpose – in this instance, mostly administrative purposes. Further, for this evaluation, data has been drawn from multiple systems – there is not a single integrated system which captures and links all of the data sets. Owing to these circumstances, there are some instances where records are incomplete or display inconsistencies. Some individuals were unable to be tied to a single LGA (2 per cent) while others were not able to be linked with Centrelink data (4 per cent). These individuals are nonetheless included in the analysis to the extent which their data allows.

### 2.2.2 Secondary data analysis

Analysis of secondary data in the Process and Short Term Evaluation Report included a detailed description of the characteristics of individuals who are likely to engage with the PBIM program. This analysis is not repeated in the current report as it was not considered that these characteristics would have changed in the time that has elapsed since the previous report.

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<sup>8</sup> The analysis of retail transaction reports as presented in the Process and Short Term Outcomes Report was not able to be repeated in this report, because retailers did not provide relevant data.

This report provides updated analysis of the participation and behaviour of individuals who are engaged with the PBIM program. Specifically, the report considers changing levels of program participation over time; program exit behaviour; responses to incentives; uptake of financial management courses; BasicsCard use; expenditure metrics and housing metrics. Where relevant, statistical tests are utilised to determine the statistical significance of apparent differences in behaviour between individuals who are engaged with the program and p-statistics are reported in parentheses.

## 2.3 Face-to-face interviews

Face-to-face interviews were facilitated and conducted by the Social Research Centre. The following provides an overview of the research methodology, recruitment, sample composition and analytical approach employed to complete this phase of work.

### 2.3.1 Research methodology

Wave 2 of the qualitative PBIM research followed a similar methodology to the previous wave. There were some slight variations in the design of the two waves; in this second wave an additional ten interviews were conducted overall and a greater focus was placed on meeting recruitment quotas based on specific PBIM measures.

The research design involved conducting in-depth interviews with 12 participants from each of the five PBIM sites. A total of 60 in-depth interviews were conducted with participants, of which 46 were conducted face-to-face and 14 were conducted by telephone.

Within this cohort, to reflect the increased interest in understanding the experiences of those who were automatically placed on PBIM because of a vulnerability risk, the sample was designed to ensure that two-thirds of interviews were with vulnerable welfare payment recipients placed on PBIM by automatic trigger, and the remaining third were divided equally between voluntary and social-worker assessed PBIM participants. It should also be noted that, the recipients who were placed on PBIM by automatic trigger were intentionally oversampled because these customers were not able to be interviewed in the first stage of face-to-face interview.<sup>9</sup> Less than five of the interviewees from the first stage of face-to-face interviews were on the VULN measure and none of these were on the VULN-AT measure.

The majority of face-to-face interviews were conducted with the participant at their place of residence, or otherwise at a local public place like a park or café. Face-to-face interviewing was the preferred method of conducting interviews as it enabled the impact of PBIM to be explored in greater depth than would have been permissible through telephone surveys. Telephone interviews were organised when the participant was not available on the days the interviewer was in the area. Participants who took part in a face-to-face or telephone interview were provided with an incentive of \$40 (Coles charity gift card).

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<sup>9</sup> Note that for the Baseline report, recruitment was prioritised to customers on VULN and CPIM, however, as these customers were very difficult to recruit (primarily due to difficulties making contact with them), the final sample included less than five customers on VULN or CPIM.

The data collection method was qualitative, using semi-structured interviews as this approach was deemed the most appropriate for gaining a detailed understanding of perceptions, experiences, and impacts of PBIM.

Fieldwork was conducted across the five PBIM locations (see Table 2.4 below) between 10 September and 31 October 2014.

### 2.3.2 Sample composition

Key characteristics of participants who took part in an interview are shown in Table 2.4 below.

**Table 2.4: Profile of research participants**

Group	Logan (QLD)	Playford (SA)	Shepparton (VIC)	Bankstown (NSW)	Rockhampton (QLD)
<b>Total Interviews</b>	<b>12</b>	<b>13</b>	<b>12</b>	<b>11</b>	<b>12</b>
VULN-AT	8	11	8	5	7
<i>UTL</i>	8	10	8	4	7
<i>CRP</i>	0	1	0	1	0
VULN-SWA	1	0	1	1	5
VIM	3	2	3	5	0
Male	7	6	4	7	5
Female	5	7	8	4	7
Ave Age	29	22	25	38	28

There were three PBIM streams targeted for this research:

- VULN-AT the study achieved 39 interviews with people who were classified under the VLN stream (those who met specific youth automatic triggers or were financially vulnerable).
- VULN-SWA: there were eight interview participants who had been put on PBIM by a DHS social worker based on an assessment of their circumstances and vulnerability.
- VIM: a total of 13 voluntary PBIM participants were interviewed in this wave of research.

### 2.3.3 Analysis and reporting

All interviews were digitally recorded (with consent) and the recordings were used for analysis purposes. The analysis was conducted using an analysis framework for the classification and interpretation of qualitative data. The key themes and topics were identified through the discussion guide and through an initial review of the qualitative data to develop an analysis coding structure. Sections of the recordings were then coded (using NVivo software for the management of qualitative data) to enable a thematic retrieval of data under each theme, or group type (to allow, for example, comparison of responses to themes or questions by group type or location). Direct quotations have also been referenced in the analysis to allow inclusion in the reporting. The use of this thematic data coding technique ensures that findings are directly traceable back to the raw data, thus providing a fully transparent analytical method.

Verbatim quotations from across the research have been included in this report to illustrate these findings. Where words are shown in square brackets [as such] this denotes the researcher's additional words, included to make a sentence clearer. Where ellipses have been used (...), this indicates that some superfluous text has been taken out of the quote for ease of reading.

## 2.4 Online surveys

Online surveys were conducted between October and November, 2014. Online surveys were completed by:

- DHS staff – including customer service officers (CSOs), social workers, ZIMCOs (Zone Income Management Contact Officers) and IMCOs (Income Management Contact Officers)
- FMPS staff.

Online surveys are continuing to be completed by BasicsCard Merchants. Outcomes from these surveys will be reported in the Consolidated Evaluation Report in April 2015.

### 2.4.1 DHS staff survey

The experiences of DHS staff involved in PBIM service delivery were captured through an online survey. The survey asked staff for their professional opinions concerning the outcomes of the PBIM program for customers. The survey further included questions pertaining to the operation of PBIM and opportunities for improvement.

Some of the themes covered in the online surveys include:

- the perceived impact of PBIM on customer outcomes and differences in these between measures
- the interaction between PBIM and related services (e.g. financial counselling and money management)
- views on implementation and operation of PBIM and how this could be improved

This online survey was piloted with a small number of DHS staff, before being fielded more broadly with relevant staff involved in service delivery to PBIM customers.

### 2.4.2 Money management and financial counselling staff survey

An online survey of Money Management and Financial Counselling staff was undertaken between October and November, 2014. The survey asked staff for their professional opinions concerning the outcomes of financial counselling provided through the PBIM program for PBIM customers.

The themes that were canvassed in the 2014 survey include:

- the degree to which PBIM customers have engaged with these services
- perceptions as to the impact of the financial counselling and MMCs on outcomes for customers
- any improvements which could be made to the process of engaging or referring PBIM customers to these services

- whether existing courses and services are well targeted to the needs of PBIM customers.

## 2.5 Stakeholder interviews and focus groups

Site visits were conducted at each of the PBIM trial sites through October and November, 2014. Site visits involved:

- one focus group with DHS staff at each site
- a focus group with child protection staff at each site (either on site if it could be scheduled on the same day as the DHS focus group, otherwise conducted via teleconference)
- telephone interviews with housing authority representatives in NSW and SA.

It was agreed in consultation with the Steering Committee and Advisory Group that consultation would not extend beyond this above mentioned group.

### 2.5.1 Focus groups and interviews with DHS staff

An invitation was extended at each site to DHS staff who had some experience of PBIM. Staff included CSOs, social workers, ZIMCOS, IMCOs and Community Engagement Officers.

The focus group was attended by two or three Deloitte Access Economics staff. Attendees were advised that they were to share their professional opinions, as DHS staff, as opposed to personal views held on PBIM.

A discussion guide was circulated to attendees prior to the meeting. Broadly, topics covered in each focus group included:

- any barriers and facilitators to the implementation of PBIM
- any impacts of PBIM observed, either positive or negative and how, if at all, these impacts varied by measure
- the impact of demographic factors such as gender, age and ethnicity on outcomes experienced by PBIM customers
- the similarities or overlap between PBIM and other BAFW measures
- the uptake and impact of Financial Management Courses
- any unintended consequences of PBIM observed, either positive or negative
- any improvements which could be made to the PBIM measures.

### 2.5.2 Consultation with Child protection workers

Focus groups and/or interviews were undertaken with Child Protection staff in each trial site – either in person, or via teleconference. Once more, attendees were provided with a discussion guide ahead of the meeting. Broadly, topics covered in each meeting included:

- use of CPIM as a tool by child protection staff
- issues encountered by staff in the application of CPIM
- any impacts of CPIM observed to date, both positive and negative
- any customer issues encountered to date
- views on potential improvements to implementation.

### 2.5.3 Consultation with housing authorities

Interviews were held with relevant housing authority representatives in the trial sites which are using housing referral pathways into PBIM, namely NSW and SA. The purpose of these interviews was to:

- understand the referral pathways being employed
- identify any barriers or facilitators to referral pathways and any emerging issues
- determine how useful PBIM was as a tool for housing authorities and their customers
- identify any ways that PBIM or the referral pathway could be improved.

## 3 Secondary data analysis

Using secondary data, this chapter reports on PBIM participation metrics, BasicsCard usage and merchant metrics, and housing and expenditure metrics.

Secondary data analysis draws upon data which has typically been collected for administrative purposes. That is, it utilises data for which evaluative analysis was not the primary purpose. The analysis provides relatively objective and complementary insight into a program's operations – removed from biases that may be inherent in perceptions gathered from providers and consumers.

The secondary data analysis for this Medium Term Outcomes Report builds upon the baseline analysis that was provided as part of the Process and Short Term Outcome Evaluation Report. It draws on information that has become available since analysis was conducted for the previous report – adding between six and twelve months of data.

### 3.1 PBIM demographics

The Process and Short Term Evaluation Report provided an overview of the characteristics that define customers who typically engage in PBIM and the different PBIM measures. In summary, it was reported that the likelihood of an individual engaging with PBIM is highly influenced by the type of income support the individual receives, the level of use of Centrepay or Rent Deduction Scheme services and age band. Culturally and linguistically diverse (CALD) status, Indigeneity and gender did not have a material influence on the propensity to engage with the program.

Analysis relating to the relationship between customer demographics and PBIM engagement are not re-visited in this report. This is because it is considered that many demographic factors such as age band, CALD status, Indigeneity and gender are unlikely to have changed between reports. Therefore, the relationships noted in previous work is highly likely to remain relevant within the time elapsed since the previous Report's release.

### 3.2 PBIM participation

#### 3.2.1 The number of people on PBIM

As to 30 June 2014, 3,801 customers were identified as having been placed on a PBIM measure at some point.

Table 3.1 presents the number of customers by trial site between 1 July 2012 and 4 July 2014. The location of CPIM cases outside of Logan are not provided to preserve the privacy of individuals given small number of CPIM participants.

**Table 3.1: Number of PBIM customers July 2012 to July 2014, by site and by measure**

Category	CPIM	VULN-SWA	VULN-AT	VIM	All PBIM Initiatives
Bankstown NSW	[Not reported]	24	193	82	300
Playford SA	[Not reported]	13	651	151	816
Greater Shepparton Vic	[Not reported]	21	211	288	520
Logan Qld	6	24	1185	215	1430
Rockhampton Qld	[Not reported]	21	514	116	651
Unknown location	[Not reported]	0	82	2	84
All PBIM	8	103	2836	854	3801

The highest overall proportion of PBIM customers was located in Logan during the surveyed period while the lowest number was in Bankstown. There were 84 individuals who were unable to be attached to an LGA using their administrative data and have hence been allocated the residence of 'unknown location'.

Table 3.2 provides the 'participation rate' of customers by site and by measure. The participation rate is calculated by representing the number of customers who are (or have been) on PBIM for every 10,000 customers within the same area who – in accordance with their income support payment (ISP) and their demographic characteristics – could have been on PBIM. In essence it indicates a measure of who is (or has been) on PBIM given the size of the 'target' population.

**Table 3.2: Participation rate, by site and by measure**

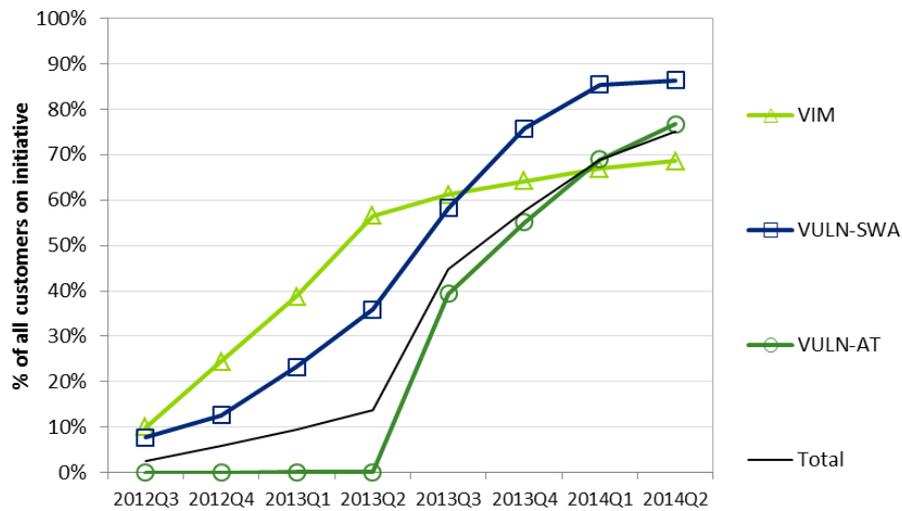
Category	CPIM	VULN-SWA	VULN-AT	VIM	All PBIM Initiatives	Ratio to All PBIM
Bankstown NSW	NR	6.0	48.4	20.6	75.2	0.5
Playford SA	NR	2.3	113.2	26.3	141.9	1.0
Greater Shepparton Vic	NR	8.4	84.7	115.7	208.9	1.5
Logan Qld	0.5	2.1	103.2	18.7	124.5	0.9
Rockhampton Qld	NR	6.0	148.0	33.4	187.5	1.3
All PBIM	0.3	3.8	104.3	31.4	139.8	

Note. Per 10,000 persons on weighted trigger payments. NR = Not Reported

The participation rate among customers is highest in Greater Shepparton and lowest in Bankstown. The participation rate in the CPIM measure is very low. The highest participation rate is found to be for the VULN-AT measure. Enrolment onto VULN-AT is automatic – based on ISP and location of residence. Hence, most individuals who have a high propensity to be on the measure owing to their ISP and location are indeed already on the measure.

Chart 3.1 presents, as a time-series, PBIM participation by PBIM measure – a function of both the number of participants entering and those exiting the program. Chart 3.2 then presents, as a time-series, recruitment to PBIM by PBIM measure.

**Chart 3.1: Percentage of PBIM customers active by quarter July 2012 to July 2014, by measure**



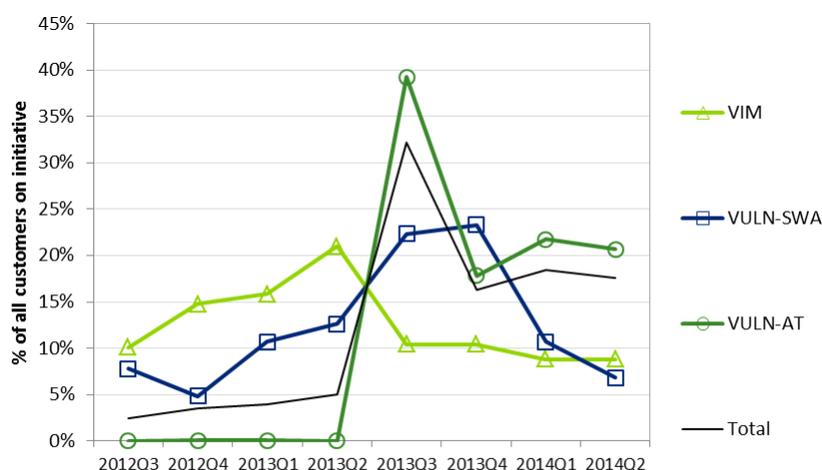
Source: PBIM customers 1 July 2012 to 30 June 2014.  
 Note: 14 cases began 29-30 June 2014 (1 VLN,-SWA 13 VLN-AT).

Note. 'quarter' refers to 13 week periods

**Table 3.3: Percentage of PBIM customers active by quarter July 2012 to July 2014, by measure**

Category	2012Q3 (per cent)	2012Q4 (per cent)	2013Q1 (per cent)	2013Q2 (per cent)	2013Q3 (per cent)	2013Q4 (per cent)	2014Q1 (per cent)	2014Q2 (per cent)
VIM	10.1	24.5	38.8	56.6	61.2	64.2	66.9	68.6
VULN-SWA	7.8	12.6	23.3	35.9	58.3	75.7	85.4	86.4
VULN-AT	0.0	0.0	0.1	0.1	39.3	55.1	68.9	76.7
Total	2.5	5.9	9.5	13.8	44.8	57.7	68.9	75.2

**Chart 3.2: Percentage of PBIM customers on PBIM for the first time by quarter, July 2012 to July 2014, by measure**



Source: PBIM customers 1 July 2012 to 30 June 2014.  
Note: 14 cases began 29-30 June 2014 (1 VLN,-SWA 13 VLN-AT).

Note. 'Quarter' refers to 13 week periods

**Table 3.4: Percentage of PBIM customers on PBIM for first time by quarter, July 2012 to July 2014, by measure**

Category	2012Q3 (per cent)	2012Q4 (per cent)	2013Q1 (per cent)	2013Q2 (per cent)	2013Q3 (per cent)	2013Q4 (per cent)	2014Q1 (per cent)	2014Q2 (per cent)
VIM	10.1	14.8	15.8	21.0	10.4	10.4	8.8	8.8
VULN-SWA	7.8	4.9	10.7	12.6	22.3	23.3	10.7	6.8
VULN-AT	0.0	0.0	0.1	0.0	39.2	17.8	21.7	20.7
Total	2.5	3.6	3.9	5.1	32.2	16.3	18.5	17.6

The clear spike in enrolment levels in July 2013 reflects the introduction of the VULN-AT measure. The peak of recruitment reflects the initial enrolment period with the pace of enrolment dropping off as time progresses. A drop in VIM enrolments appears to accompany the VULN-AT spike although there is a temporary two quarter rise in VULN-SWA participation.

Appendix A provides an overview of recruitment and participation levels by site.

### 3.2.2 Customers going on and off PBIM

The administrative system records any period for which a customer is 'off' PBIM – be it temporary or permanent – for a variety of reasons discussed below. Most temporary breaks are brief. Over 50 per cent of breaks only last for one day and 80 per cent of breaks last for seven days or less.

For the purpose of this report, the analysis necessarily must distinguish between an 'interruption' in the administrative system and a permanent end to engaging with PBIM. It was assumed that an interval of over 35 days signalled a formal end to PBIM. It is important to

not altogether disregard interruptions either as they may be a useful indicator of customer disruption.

The data file which was available to analyse customer ‘on’ and ‘off’ PBIM patterns contained customer data for the period between 1 July 2012 and 4 July 2014. This represents an additional year of data above that which was analysed in the Process and Short Term Outcomes Report. Previously, owing to the timeframe of available data, VULN-AT customers were excluded from analysis. In this report, the VULN-AT cohort is able to be included.

Table 3.5 provides a summary of customer recorded ‘offs’ for the period 1 July 2012 to 4 July 2014. It should be noted that (‘offs’) in this table refers to both interruptions and formal endings of PBIM. In total there were 3,657 PBIM customers who recorded ‘offs’ during this period. This figure is much greater than the 163 PBIM customers who were reported to record ‘offs’ in the previous report. This is driven by the large number of VULN-AT customers who experience interruptions or events (such as sufficient levels of employment) that end PBIM.

**Table 3.5: Number of ‘off’ events between July 2012 to July 2014, by measure**

<b>Category</b>	<b>All PBIM Customers</b>	<b>VIM</b>	<b>VULN-SWA</b>	<b>VULN-AT</b>
Number of interruptions	1961	98	82	1776
Number of events ending PBIM	1483	355	24	1102
Number of unclassifiable 'off' events	213	28	3	182
Total number of recorded 'off' events	3657	481	109	3060

The most common reason for VULN-AT customers to permanently end PBIM was because the customer ceased receiving their trigger payment (52 per cent of VULN-AT customers who ended PBIM). The trigger payment may cease if VULN-AT have entered into a sufficient level of employment or if they have become full-time students/apprentices. Only second to this was that the customer had successfully appealed their case to be taken off PBIM (28 per cent). The most common reason for VIM customers to end PBIM was that they had been assessed as ‘ineligible’ for the measure (89 per cent).

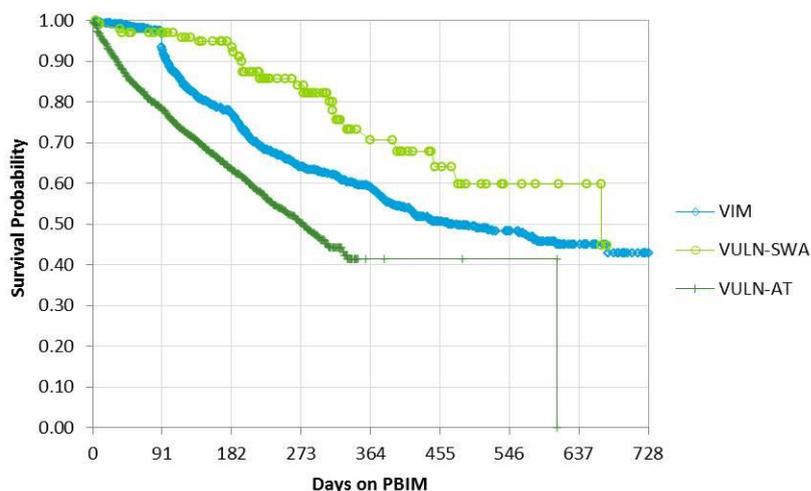
Appendix A provides some further data pertaining to why customers were recorded as having interruptions and for ending PBIM.

Analysis was conducted to determine the probability of customers staying on PBIM for a particular period of time. This type of analysis is called ‘survival curve’ analysis and uses information about the number of people who are present in a program at any given point in time, and the number of people who have left the program to that same point in time to estimate the future rate of exit from the program. Survival curves, calculated by measure, are presented in Figure 3.1.

VULN-AT shows steep decline overtime – particularly pronounced in the first seven to eight weeks of enrolment in PBIM. This indicates that VULN-AT have a relatively lower probability of continuing with the program as time continues than individuals who are on VULN-SWA or VIM. Conversely, VIM and VULN-AT have relatively higher survival curves, indicating that at any point in time these customers have a relatively higher probability of remaining on the PBIM measure for an additional day than a VULN-AT customer. This raises the question of

dependency on external financial management which is later explored in this report through qualitative data analysis. Appendix A provides similar analysis by trial site.

**Figure 3.1: Kaplan-Meier Survival Curves, time on PBIM July 2012 to July 2014, by PBIM measure**



### 3.2.3 Financial management programs services

This evaluation uses data reported by providers of Financial Management Program Services (FMPS) contracted to provide financial counselling (FC) and money management services (MMS) to PBIM customers. These providers submit half-yearly progress reports to the DSS. The data in these reports was assessed as suitably accurate for the evaluation and are the basis for the following analysis. Only data for MMS is considered in this report as FC data was assessed to be of unsuitable quality for analysis.

While other providers may also provide financial management services to PBIM customers; PBIM customers are encouraged to attend a money management course (MMC) at one of the contracted FMPS providers. In order to receive a Matched Savings Payment (MSP), CPIM and VULN customers need to complete one of these accredited courses.

While MMS providers deliver services other than MMC, these services are only used by approximately 20 per cent of their customers. The reports submitted by FMPS providers identify PBIM customers as VIM or as compulsory income management customers, that is, CPIM, VULN-AT and VULN-SWA customers. Note that in the Process and Short Term Evaluation Report, VULN-AT were not able to be included in the analysis as the data made available was collated before the introduction of this group to PBIM.

**Table 3.6: Money Management Service Organisation Participation, July 2012 to July 2014**

Category	MMS customers	Share of PBIM customers (per cent)
VULN-AT/SWA, CPIM	302	10
VIM	251	29
<b>PBIM (total)</b>	<b>553</b>	<b>15</b>

Category	MMS customers	Share of PBIM customers (per cent)
Non-PBIM	1415	-

Note. Does not consider FC, only MMS component of FMPS due to data restrictions.

In the Process and Short Term Outcome Report, it was reported that 30 per cent of PBIM customers utilised MMS providers. This percentage has close to halved in the data presented in Table 3.6. The key driver of this appears to be the low uptake of MMS by the VULN-AT cohort who were not accounted for in the previous dataset. Of all sites, Rockhampton was found to have the highest uptake of MMS services among compulsory income management customers while Logan had the highest utilisation among VIM customers. Further detail on MMS uptake by site is provided in Appendix A (Table 9.4).

Analysis of the proportions reported in Table 3.7 indicate that the proportion of compulsory income management clients who commence MMC significantly ( $p < 0.01$ ) exceeds the number of VIM clients who commence MMC. This potentially indicates a positive effect of the MSP. A significantly higher proportion of compulsory income management clients also complete the MMC. However, this difference is not significant ( $p > 0.1$ ) as a proportion of individuals who commence the courses. Once enrolled, there is no significant difference in the motivation to complete the course between compulsory and VIM clients (75.3 per cent versus 69.6 per cent). This is despite the receipt of the MSP being dependent on course completion.

**Table 3.7: MMC Participation, July 2012 to July 2014, by measure**

	VIM	Other PBIM	PBIM	Non PBIM	Total	VIM	Other PBIM	PBIM	Non PBIM	Total
	#	#	#	#	#	%	%	%	%	%
MMC commence-ments	23	73	96	205	301	9.2	24.2	17.4	14.5	15.3
MMC completions	16	55	71	130	201	6.4	18.2	12.8	9.2	10.2
MMC withdrawals	4	7	11	34	45	1.6	2.3	2.0	2.4	2.3
MMC clients	251	302	553	1415	1968	-	-	-	-	-

Table 3.8 provides an overview of the types of services which various customers access through MMS. Note that a customer can access more than one service/referral. Significantly more VIM customers develop a budget ( $p < 0.01$ ) or a savings goal plan ( $p < 0.01$ ) than the compulsory income management customers. The same is true of the time that is spent with VIM customers advocating on banking ( $p < 0.01$ ) or debt issues ( $p < 0.01$ ). The number of referrals extending to agencies such as child protection, communities for children, drug and alcohol services and gambling services is low overall, with numbers too small to determine the significance of differences between groups.

**Table 3.8: Times activity recorded to occur per 100 MMS clients**

Category	VIM	Other PBIM	Non income management
Clients who developed a budget	83.2	36.2	59.4
Clients who developed a savings goal plan	38.7	23.2	31.1
Referrals to emergency relief	11.9	1.6	11.9
Referrals to child protection agencies	0.6	0.0	0.2

Category	VIM	Other PBIM	Non income management
Referrals to communities for children	2.6	0.0	0.4
Referrals to a drug & alcohol services	1.0	0.3	0.8
Referrals to gambling services	1.0	0.0	0.5
Referrals to accommodation services	4.8	2.5	6.9
Referrals to domestic violence organisations	2.6	0.3	1.7
Times advocated on banking issues	101.3	19.7	41.4
Times advocated on debt issues	551.0	44.4	174.1
Times advocated with organisations	36.8	4.8	15.9

### 3.2.4 Incentive payments

The Process and Short Term Outcomes Report, which considered MMS data to June 2013, found that no individuals had received the MSP incentive payment. It was found in the most recent data analysis that since this point, five customers have received the payment. All customers who received the payment are VULN-AT customers. As indicated in Section 3.2.3, 55 of the compulsory income management customers have completed a MMC, one of the requirements for receiving the MSP. Yet only 10 per cent of these individuals have saved enough to receive the MSP. This low receipt of the MSP indicates that the incentive is not performing its intended role.

Table 3.9 provides details on the number of VIP received by VIM customers between July 2012 and June 2014. VIP are made every 26 weeks. Overall, 544 customers had received at least one VIP during this period. Subsequently, 32 per cent of these customers have gone on to exit the VIM measure. Analysis indicated that VIM customers who had received the VIP once were not significantly different ( $p>0.1$ ) in their rate of exiting the measure than those who had never received it at all. However, once VIM customers received two or more VIP, they were significantly less likely ( $p<0.01$ ) to exit than if they had received none/one VIP payment. In summary, this analysis indicates that the probability of a customer on VIM exiting the measure decreases as increasing numbers of VIP are received (and time goes on).

**Table 3.9: VIM customers receiving Voluntary Incentive Payments, July 2012 to July 2014**

Number of VIP received	Category	Customers	Per cent of all VIM customers (per cent)	Per cent who exited VIM by grouping (per cent)
No VIP received	Exited VIM before receiving a VIP	192	21.5	
	Have not been VIM on long enough to receive a VIP	157	17.6	55.0
1 VIP received	Received 1 VIP and exited VIM	124	13.9	
	Received 1 VIP and is still on VIM	110	12.3	53.0
2 VIPs received	Received 2 VIPs and exited VIM	45	5.0	
	Received 2 VIPs and is still on VIM	169	18.9	21.0
3 VIPs received	Received 3 VIPs and exited VIM	7	0.8	
	Received 3 VIPs and is still on VIM	89	10.0	7.3
	Total VIM customers	893	100	

Note. Considers any customers who were on VIM during this time period.

### 3.3 BasicsCard issues and use

The analysis in this section is based on BasicsCard transaction logs for the period 1 July 2012 to 30 June 2014. Where in the Process and Short Term Evaluation Report, VULN-AT customers were not included in the analysis owing to data limitations, this cohort is included in the analysis presented in this paper.

#### 3.3.1 BasicsCard participation metrics

Customers can opt to receive a BasicsCard. Depending on individual circumstances customers may not choose to acquire a BasicsCard until they feel it necessary. Table 3.10 summarises the number of customers issued BasicsCards between July 2012 and June 2014.

**Table 3.10: PBIM customers issued BasicsCard, July 2012 to July 2014, by measure**

	Persons issued a BasicsCard	Persons on PBIM	Per cent by measure
CPIM	8	8	100.0
VIM	782	854	91.6
VULN-SWA	94	103	91.3
VULN-AT	2303	2836	81.2
All customers	3187	3801	83.8

The number of PBIM customers who have a BasicsCard is 3,187, representing 80 per cent of PBIM customers overall. This proportion of BasicsCard users is comparable to that reported in the Process and Short Term Report. By measure, the highest proportion of BasicsCard holders is found to be among VIM customers while the lowest is among VULN-AT customers.

The data indicates that VULN-SWA customers were most likely to have had their BasicsCard reissued multiple times, followed by VIM customers. The most common reason for reissue was that the card had been lost (57.2 per cent of reissues). A further 10 per cent of reissues were related to cards being stolen and another 10 per cent on account of cards expiring.

#### 3.3.2 BasicsCard usage

BasicsCards are used for transfers for funds in and out of the BasicsCard account, to make purchases, to make inquiries about the account at a kiosk and other reasons such as changing the PIN or printing out the account balance. Table 3.11 provide a breakdown across these transaction types by PBIM measure.

**Table 3.11: Type of BasicsCard transaction from July 2012 to July 2014, by measure**

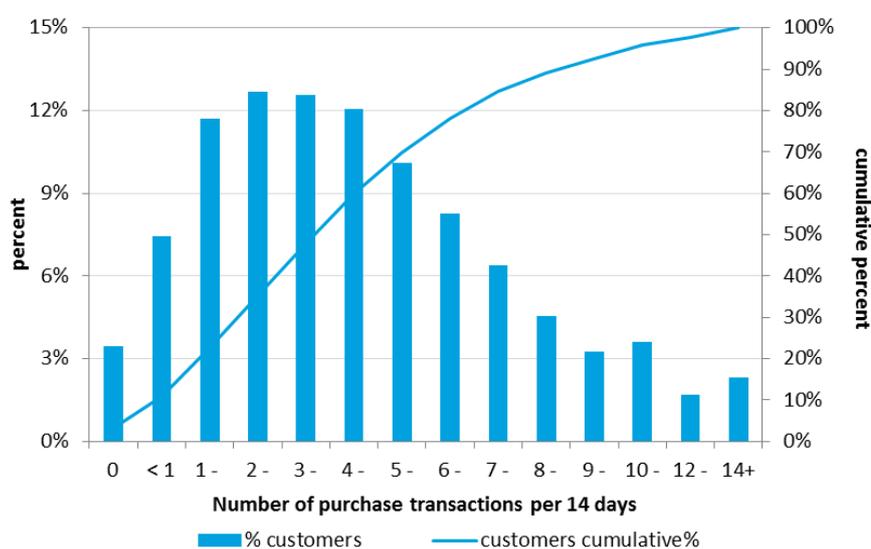
Type of Transaction	CPIM	VIM	VULN-SWA	VULN-AT	All customers
Transfer in	17.1	21.7	18.9	20.2	20.7
Transfer out	0.2	0.7	0.5	0.8	0.8
Purchase	80.7	74.0	76.2	75.8	75.1
Kiosk	1.9	3.6	4.1	3.1	3.4

Type of Transaction	CPIM	VIM	VULN-SWA	VULN-AT	All customers
Other	0.1	0.1	0.3	0.1	0.1
Total number of transactions	1,732	121,012	17,452	164,747	304,943

Of the 305,000 BasicsCard transactions recorded between July 2012 and July 2014, the vast majority (75.1 per cent) relate to purchases.

Figure 3.2 provides an overview of the number of purchase transactions customers undertook on average per 14 day interval. The median level of transaction was between two and three purchases.

**Figure 3.2: Number of purchase transactions, per 14 days**



Source: BasicsCard records 1 July 2012 to 30 June 2014

Most BasicsCard purchases appear to relate to ones of small transaction value. As Table 3.12 indicates, the majority of purchases made on the BasicsCard are under \$20 in value.

**Table 3.12: Value of purchase transactions from July 2012 to July 2014, by measure per cent)**

Value	CPIM (per cent)	VIM (per cent)	VULN-SWA (per cent)	VULN-AT (per cent)	All customers (per cent)
Under \$10	25.9	25.9	29.7	29.8	28.3
\$10 to under \$20	23.5	22.4	23.4	21.2	21.8
\$20 to under \$40	27.0	25.6	23.3	23.3	24.2
\$40 to under \$80	16.7	16.6	14.5	15.7	16.0
\$80 or more	6.9	9.5	9.2	10.1	9.8

The greatest number of purchase transactions are recorded in supermarkets, followed by petrol stations and department stores. While the highest average spend occurs at less utilised stores such as Australia Post and on items such as motor vehicle registry, the greatest

proportion of all BasicsCard expenditure is again within supermarkets. Over \$4.5 million has been spent in supermarkets on BasicsCards between July 2012 and July 2014. Table 3.13 provides further detail on this data.

**Table 3.13: Transactions and expenditure by retail type from July 2012 to July 2014**

Business Activity	Per cent of total transactions	Mean \$ per transaction (\$)	Per cent of total expenditure	Number of transactions	Total \$
Supermarket	61.32	32.2	59.1	140,967	4,550,368
Butcher	0.60	32.9	0.6	1,372	45,153
Convenience store	1.09	17.6	0.6	2,512	44,376
Fruit and vegetables	0.2	16.4	0.1	401	6,582
Bakery	0.2	11.8	0.1	469	5,551
Department store	13.2	<b>46.7</b>	18.4	30,290	1,416,752
Discount store	1.8	22.4	1.2	4,058	91,169
Clothes store	1.2	<b>61.7</b>	2.2	2,800	172,850
Second-hand goods	0.4	24.2	0.3	913	22,162
Shoe store	0.3	98.0	0.9	733	71,864
Toys	0.0	62.7	0.0	41	2,574
Hardware store	0.3	43.5	0.4	689	29,996
Bookstore	0.1	28.1	0.0	105	2,952
Newsagent	0.0	20.2	0.0	72	1,459
Australia Post	0.2	<b>110.2</b>	0.8	551	60,732
Petrol station	14.9	28.1	12.5	34,307	965,151
Automotive Repairs	0.2	63.1	0.5	548	34,618
Transport	1.1	8.3	0.3	2,459	20,571
Motor vehicle registry	0.1	125.2	0.2	143	17,908
Chemist/pharmacy	2.7	20.1	1.6	6,090	122,703
Education outlet	0.0	86.8	0.1	47	4,082
Medical service	0.0	695.0	0.0	2	1,390
Accommodation	0.0	124.7	0.1	30	3,741
Whitegoods	0.0	268.3	0.0	3	805
Other	0.1	36.1	0.1	276	9,967

### 3.3.3 Declined BasicsCard transaction

Over 4,500 instances have been recorded where BasicsCard customers have had their BasicsCard rejected at the point of sale. Table 3.14 provides a summary of reasons for why BasicsCards were at times declined. The most common reasons are unregistered device (74.2 per cent) and insufficient balance (72.5 per cent).

**Table 3.14: Reasons for declined BasicsCard transaction from July 2012 to July 2014, by measure**

Type of rejection	CPIM	VIM	VULN-SWA	VULN-AT	All customers
Insufficient balance	87.5	80.4	84.8	69.1	72.5
PIN Error	50.0	61.7	73.4	46.1	50.8
PIN blocked	0.0	1.5	4.3	0.5	0.9

Type of rejection	CPIM	VIM	VULN-SWA	VULN-AT	All customers
BasicsCard Suspended	12.5	6.7	12.8	4.0	4.9
Use on unregistered device	100.0	79.8	85.1	71.7	74.2
Action not supported	62.5	23.9	39.4	13.6	17.1
Total number of people using BasicsCards	8	781	94	2,290	3,173

There were 2,353 transactions which resulted in an ‘unregistered device’ error between July 2013 and July 2014. These events occur when a BasicsCard transaction has been attempted at a specific electronic funds transfer at point of sale (EFTPOS) terminal that has not been approved by the DHS to accept the BasicsCard. The most common reason for this is when a card holder has attempted to use their card at a store or business that is not an approved BasicsCard merchant.

There were 2,300 customers who during the surveyed period experienced ‘insufficient balance’ for their purchase to proceed. The time a customer takes to transfer funds into their BasicsCard after encountering an ‘insufficient balance’ event is presented in Table 3.15. While funds are transferred within a few hours in 15 per cent of occurrences, and within the day for a further 14 per cent, transfer of funds did not occur for more than four days in 17 per cent of occurrences and more than seven days in 31 per cent of cases. The highest proportion of VULN-AT customers wait for seven days or more to transfer funds into their BasicsCard after registering an ‘insufficient balance’ error. The time taken to transfer funds due to an ‘insufficient balance’ may be due to customers having insufficient income managed funds available. This could be because their next payment is not scheduled to be received for several days; as such it may be an indicator of financial stress.

**Table 3.15: Time between ‘insufficient balance error’ and transfer of funds to card, by measure (per cent of measure total)**

Time	CPIM	VIM	VULN-SWA	VULN-AT	All customers
under 2 hours	13.3	13.2	12.0	16.3	14.7
2.0 to under 24 hours	24.0	14.0	19.9	13.3	14.1
1 day to under 2 days	18.7	11.0	9.0	7.9	9.3
2 days to under 4 days	13.3	17.1	15.0	11.1	13.8
4 days to under 7 days	13.3	20.5	18.1	14.5	17.2
7 days or more	17.3	24.2	26.0	37.0	31.0

## 3.4 Expenditure and housing metrics

The following metrics examine spending patterns, requests for advance payment of Centrelink benefits and housing related metrics.

### 3.4.1 Expenditure metrics

Section 3.3.2 considers the way in which PBIM participants utilise their BasicsCard to make everyday purchases. BasicsCard purchases do not however account for all expenditure from PBIM accounts – a large component of expenditure occurs directly from the income

management account itself. Table 3.16 denotes expenditure between July 2012 and June 2014 by product sector. The key indicators include:

- Mean \$ per week per customer spending: represents the weekly item cost a customer is paying for the product or service.
- Mean per cent of each customer total \$: that is the share of each customer's expenditure who purchases from that sector. It is an indicator of the importance of that sector for customers who purchase from it.
- Share of total \$ is an indicator of how much expenditure goes to that sector across all customers.
- Penetration is the proportion of customers who spend on that sector.

**Table 3.16: Expenditure by product sector**

<b>Product sector</b>	<b>Mean \$ per week per customer spending</b>	<b>Mean per cent of expenditure (excluding customers who do not spend on item)</b>	<b>Per cent share of total \$</b>	<b>Penetration (Per cent of customers purchasing)</b>
Accommodation Expenses	100.7	50.9	18	27.0
Chemist/pharmacy	3.7	2.2	1	34.6
Clothing & Footwear	9.5	7.1	2	30.2
Council Services	25.1	14.5	0	2.5
Debt Collection & Management	11.6	7.2	0	2.0
Department store	21.5	13.3	10	72.7
Discount store	3.2	1.8	1	27.2
Education	135	4.9	0	2.9
Family & Community Services	28.1	21.5	1	4.1
Fines	10.9	9.6	1	9.9
Fresh Food	3.5	2.3	0	15.4
Government Services	10.7	7.2	0	3.0
Household Goods & Equipment	15.8	8.1	2	15.1
Household, Childcare, Personal & Pet Services	16.2	8.0	0	3.7
Loans & Financial Services	35.9	17.5	2	7.6
Medical & Health Related Services	14.1	8.2	0	3.0
Other	33.6	17.5	3	15.6
Post Offices, Newsagents, Bookstores & Convenience	9.7	6.1	1	15.1
Private individual	69.2	58.6	14	30.3
Second hand goods	2.3	1.1	0	6.6
Supermarket	53.3	38.3	31	88.6
Telecommunications	16.4	11.8	1	8.4
Transport & Motor Vehicle Expenses	20.0	13.1	9	64.7
Utilities	23.2	11.4	3	18.8
<b>Total expenditure</b>	<b>152.28</b>		<b>100</b>	

Source: Deductions, Centrepay and BasicsCard data 1 July 2012 to 30 June 2014

Key points to note from the analysis of product expenditure data are:

- The average expenditure per week per customer is \$152 – ranging from \$118 for VULN-AT participants to \$243 for VIM participants
- Accommodation is the largest share of expenditure, accounting \$101 of average expenditure per week. Interestingly, when considered by measure, accommodation comprises a considerably lower proportion of total expenditure for VULN-AT customers (6.8 per cent versus 30.6 per cent for VULN-SWA and 32.1 per cent for VIM). This could be explained by informal living arrangements entered into by this cohort – for example, ‘couch surfing’.
- Supermarket expenditure is a strong share of expenditure across all measures. This is particularly pronounced for VULN-AT customers (38.7 per cent versus 28.2 per cent for VULN-SWA and 20.6 per cent for VIM).
- Supermarket expenditure has the highest penetration across all goods. This means that the greatest proportion of individuals spend within this category. The high penetration of supermarket expenditure compared with accommodation means that the category amounts for a higher percentage share of total expenditure.
- Transport has high penetration across all measures but overall accounts for a relatively lower proportion of expenditure than items such as groceries and accommodation.

### 3.4.2 Urgent payments

Existing DHS customers who receive certain Centerlink payment are eligible to apply for advance lump-sum payments from their existing income support payment which are later paid off. For customers who are on PBIM, the full advance amount will be subject to income management.

The number of urgent payments requested in the 26 weeks prior to PBIM was compared against the number of urgent payments requested in the time while on PBIM or in the 26 weeks after having been on PBIM. A reduction on the number of advanced payments for customers following the initiation of PBIM could signal an improvement in financial management capability.

As Table 3.17 indicates, seemingly, individuals included in the analysis did appear to request more urgent payments prior to initiating PBIM. This would suggest that financial stress declined during/after PBIM. However, it was found that this difference was not statistically significant. The non-significance is likely driven by the small sample size that was available for analysis (n=126) – the VULN-SWA group only had 13 customers included in analysis and the VIM group only had 31.

**Table 3.17: Customers receiving urgent payments, by measure (per cent of measure total)**

<b>Customers who received urgent payments</b>	<b>VIM</b>	<b>VULN-SWA</b>	<b>VULN-AT</b>
Before PBIM but not during or after	71.0	53.8	65.9
Not before PBIM but received during or after	25.8	38.5	32.9
Received both before & during or after	3.2	7.7	1.2

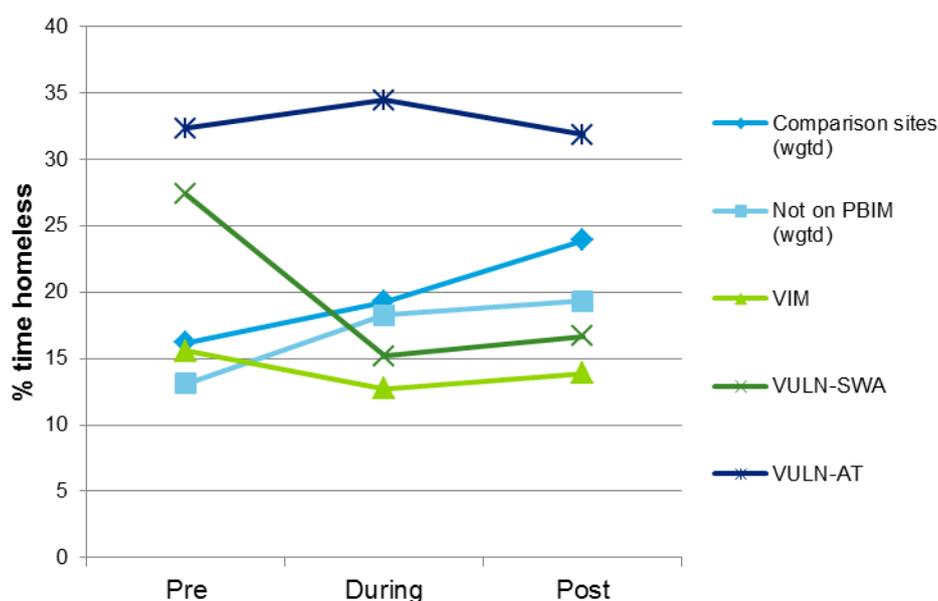
### 3.4.3 Housing metrics

Address data have been used to provide a measure of ‘homelessness’. Customers with no fixed address or in temporary accommodation (shelters, refuges, motels) or where the address is unknown have been classified as homeless across time. The per cent of time spent homeless was calculated for the 26 weeks before PBIM, the time during PBIM and the 26 weeks following PBIM.

A control population is considered for this analysis – comprising individuals on relevant Centrelink payments in comparison sites and individuals within PBIM trial sites who were comparable to PBIM participants but not on the PBIM trial.

Overall, it appears that the time spent homeless increased for control populations and decreased for VIM and VULN SWA populations (Chart 3.3). There appeared to be little change for the VULN-AT population. None of these differences were statistically significant, due to the small sample sizes available.

**Chart 3.3: Mean per cent of time spent homeless, by measure and comparator group**



**Table 3.18: Mean per cent of time spent homeless, by measure and comparator group**

Group	Pre-PBIM	During	Post
Comparison sites	16.1	19.2	23.8
Not on PBIM	13.1	18.2	19.3
VIM	15.5	12.7	13.9
VULN-SWA	27.3	15.1	16.6
VULN-AT	32.3	34.4	31.8

## 4 Face-to-face interviews

This chapter reports on findings from face-to-face interviews held between September 2014 and October 2014 with past and current clients of PBIM.

The sample utilised for this analysis was designed to ensure that two-thirds of interviews were with VULN-AT, and the remaining third were divided equally between VIM and VULN-SWA. This design was employed because the previous face-to-face interviews did not include VULN-AT (as this measure had not yet been introduced). The following qualitative analysis therefore represents the views of a sample that was dominated by individuals on the VULN-AT measure, and as such, is more strongly weighted towards representing their views.

### 4.1 Overview and key issues

Participants' impressions of the PBIM program varied substantially – notably, by whether the participant was a VIM or VULN customer. There were some participants who were satisfied with the program and who felt that it had improved how they managed their income. These participants typically recognised direct and indirect benefits of the program, such as being able to pay their debts, reduce their stress levels and improve relationships with family and friends.

'I know it's there and I know it's going to pay for my rent, it's going to pay for my electricity, it's going to pay for my gas, and the leftovers that I've got there I can always use it for something like an emergency.'

Some of these participants described how the PBIM had given them a greater sense of stability and improved their health and wellbeing. Several participants indicated that their diet had improved since being on PBIM because they had money put aside for groceries. This in turn helped reduce stress and improved the wellbeing of others in their household.

'It's a positive; we've always got food on the table, in the cupboards, in the fridge, freezer; my kids are happier, I'm happier...'

Several participants described how the restrictions on the program had helped them to get on top of their addictions and how this in turn helped them to manage their lives.

'My alcohol abuse has cut down dramatically... [before] I was drinking three or four days a week sometimes, when I was getting my payments. But since being on income managed... my drinking doesn't even exist anymore nearly... I find it helped me concentrate on the home and keeping the home together, yeah.'

Conversely, many participants – predominantly VULN customers (who were over-represented within the present sample) – reported being dissatisfied with at least some aspects of the program. The depth of dissatisfaction varied from participants who felt that the program was a minor inconvenience to participants who felt that the program had significant negative impacts on their lives.

There were a number of reasons that participants expressed dissatisfaction with the program. Many participants were frustrated with the program because they felt that they had no

previous problems managing their income. They did not understand or agree with the reason they had been placed on PBIM.

‘...there is people out there that do drugs and drink and all that kind of stuff and I was like, why should I have to if I don’t do any of that and stuff like that...’

‘...I tried to do my research on Google and stuff and there were people going “Yeah those people deserve it, they’re all alcoholics and drug addicts and they don’t do anything all day.” And I’m sitting there going “I just finished TAFE, I got forced onto this.” You just kind of get judged for it...’

Several participants felt that being placed on the program was an infringement of their personal freedom.

‘...you don’t have the right to tell somebody what they can and can’t spend their money on... that’s an invasion of privacy and personal space...’

Other participants were not averse to the concept of income management but felt that there were issues with its implementation. Key issues participants described include: too many restrictions on spending; inappropriate division of funding between BasicsCard and PBIM; general confusion about how the accounts were managed; and inflexible interactions with DHS staff. These specific issues will be outlined in subsequent sections.

At the time of this research, many participants had either exited the program already or intended to exit from PBIM as soon as they could. This was particularly the case for younger participants who were waiting to turn 21 before requesting to exit the program. With the exception of the voluntary participants who were more enthusiastic about the program, there were few interviewed participants who wanted to stay on the program indefinitely.

A summary of positive and negative impacts of the program is provided in Section 4.1.1 and 4.12 below.

#### 4.1.1 Positive impacts

The main positive impacts of being on PBIM, according to some participants, were:

- Reduced stress and worry regarding financial strain, as the burden of managing payments due is removed
- Improved general wellbeing and improved relationships;
- Instilling purchasing restraint by minimising ‘unnecessary’ purchasing;
- Having more money to spend freely due to savings made via the BasicsCard system;
- Acquiring skills and knowledge regarding finances, budgeting, and mindful purchasing that participants indicated would be retained on leaving the Program; and
- Receiving the Bonus Payment every six months for Voluntary participants.

Some participants expressed that their involvement in PBIM had taught them useful methods of managing their finances that they could incorporate into their lives after exiting the Program. Other participants indicated that being on PBIM had helped them to create positive

structure in their lives, and because financial stresses were effectively removed, this in turn had a wider positive impact on their well-being.

#### 4.1.2 Negative impacts

Most participants felt that the PBIM program had negatively impacted on their life. The main negative impacts that some participants identified were:

- Feeling of injustice that participants were placed on PBIM, and a lack of personal freedom;
- The perception of not having the Program explained fully by DHS at the commencement of the Program;
- Feeling that there was no negotiation possible with DHS to amend payment arrangements and accommodate personal needs;
- Higher levels of stress with additional pressure on relationships
- Confusion about specific elements of program implementation (such as what retailers accept the BasicsCard, account balances and payment inconsistencies)
- Feeling stigmatised by using the BasicsCard in public;
- Not being able to use the card at cheaper retailers and being limited in the number of retailers that would accept the card;
- Technical difficulties with the BasicsCard– for example, difficulties transferring funds to the BasicsCard, the card being declined unexpectedly;
- Payments not being received at the time the participants expected, with participants falling into arrears;
- Loss of freedom over funds when funnelled into the BasicsCard account (such as lump sum payments going onto the BasicsCard and thus cannot be used for restricted purchases), for example;
  - Not having as much accessible money for certain goods (alcohol, cigarettes, and larger purchases such as prams, cars);
  - Restriction on mobility due to restrictions using BasicsCard for taxis and (in Logan and Rockhampton) for public transport

Many interview participants described the program as highly inconvenient, and that it unduly restricted their spending behaviour and financial management. Many felt that the program was confusing, with inadequate communication about how key aspects of the program would be implemented, and that the difficulties they had faced whilst on the program had placed strain on their relationships.

#### 4.1.3 Commencement of Income Management

##### 4.1.3.1 Voluntary participants

Participants' introduction to PBIM varied depending on the income management measure that they were on. Those who volunteered for PBIM had typically learned about the program after seeking advice or help from DHS or other support services. Most of the voluntary participants had proactively looked into the program, could see how it would benefit them, and were enthusiastic about starting the program. The VIP was a strong incentive for a number of these participants.

'I sort of skipped my way into Centrelink [DHS]... and I was like, "Do I get it today? Do I get it today?" [laughs]'

'I knew I had bills coming up. I actually had figured that \$250 (voluntary incentive payment) would help me with my rego.'

A couple of participants said that they volunteered for PBIM because they were advised by DHS social workers that by volunteering they would benefit from the VIP, and that their circumstances meant that they might otherwise be compulsorily placed onto Income Management. Another participant had volunteered but felt she had been misinformed about the program and later found she could not exit from the program.<sup>10</sup>

'...there was so much information basically thrown at me that, a lot of it didn't really sink in at the time... I sort of rather gullibly... signed up for it.'

These examples suggest that some participants may not have clearly understood the information provided to them by DHS social workers prior to commencement, and in particular how PBIM might affect them.

#### **4.1.3.2 Vulnerable/Automatic Trigger participants**

The vulnerable/automatic trigger participants had generally received a letter or a phone call from DHS advising that they would be placed on PBIM. These participants frequently described feeling confused about why they were placed on PBIM and worried about what it would entail.

'... I'm like, "Oh, what am I going to do"? Because I was, like, "I can't afford to shop at Coles or Woolworths or whatever"...'

'I was a bit worried. I didn't know what was happening. When I picked up on it I was a bit relieved because, yeah, started to understand what's going on, what the process is like and that.'

Many vulnerable/automatic trigger participants described feeling annoyed because they had no choice in being on PBIM.

'I was quite angry at the time when I got the letter because, of course, I had no choice...'

'...it was pretty much just given to me. It said, "We're testing this in [LGA name omitted]. You're in [LGA name omitted], you're on the BasicsCard, you have no say in the matter." Oh, great.'

'...when I first entered I had to go on it, Centrelink [DHS]'s like "Oh you're going on it," and it's like, "Well why do I need to?" And just the forcefulness of how they approach the subject...'

Most of the vulnerable/automatic trigger participants were young and many felt that it was unfair that they were placed on PBIM when they had no history of mismanaging their income or having addictions.

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<sup>10</sup> It should be noted that this participant was not actually on the VIM measure, rather was on the VULN measure.

### 4.1.3.3 Social worker assessed participants

The sample of VULN-SWA participants is quite small (8 participants in total). Because of this, rather than comparing their experiences with the other measures, the focus of this section is to discuss the key themes that emerged from the interviews with these participants. Most of these participants spoke unfavourably about commencing on PBIM. Several participants felt that they had been unfairly assessed by the social workers. In one case, a participant reported taking legal action to try and overturn the decision to place them on PBIM. These participants often described complex histories involving several support services and challenging life circumstances. Some of these participants perceived that being placed on PBIM was another example of being put onto a program by social workers who they felt did not understand their situation or their needs. In such cases, discussions about PBIM with staff appeared to have caused some tension.

‘She never met not one member of my family, she spoke to me for 20 minutes, and she made 12 months of hell.’

‘I was pushed into it forcibly... I was given an ultimatum “Well, if you want to stay in your housing, then you have to be on this card”... I said “Please go to the Department of Housing, I’ll give them a call... you’re going to see that I’ve never been late on rent...”’

In a few cases, there appeared to be confusion over whether the participant had volunteered or not – a few participants thought they had volunteered for the program only to find later on that the social worker had categorised them as social-worker assessed, and that they would not be able to exit the program by choice after the initial 13 weeks.

‘...it was presented to me as a voluntary thing and then when I later checked...three to five months later I found out that I was involuntary. But I signed papers to be voluntary, yeah.’

‘[I] went on it voluntary but I’ve been told that my social manager put me on it, and that’s just a crock... In the middle of signing me up I said can you stop it? She goes “no we have to put it through”...I said “no ...I got told I’m voluntary, I don’t want to be on it”.’

### 4.1.4 Voluntary Incentive Payment

Most of the 13 participants who volunteered were aware that they had received the VIP. For some the VIP had been a key motivation in them volunteering for PBIM and staying on PBIM.

‘I want to stay on it too because every six months you get a bonus of \$250.’

Several participants said that the VIP was very useful, but that they would have volunteered without the payment.

‘... I would have stayed on it anyway, but that’s just a bonus.’

A few volunteers had either never heard about the payment or did not recall being told about it when they commenced the PBIM program. These participants had noticed that they had received additional payments and were grateful for the extra income.

### 4.1.5 Matched Savings Payment

None of the participants from this research described receiving the MSP. However, four participants had attended the approved MMC to be eligible for the MSP. Only one of these four participants had completed all of the training courses, and this participant had not saved sufficient money to receive the MSP.

Two of these participants, who had attended some of the training sessions, felt that the course was too easy or they thought that they would not be able to save enough money on the PBIM program.

‘And so they were trying to teach us, like, “Oh, if it’s 1.2 per annum, like blah, blah, blah.” And we were just like, “Are you serious?”... Like, so we just did one course, but it was just too easy so we didn’t end up doing it.’

‘Yeah, you’ve got to go three times. We only went once. Probably wouldn’t be able to save up 500 anyway.’

One participant felt the course was very helpful and planned to complete the rest of the training.

‘I’ve attended two of the days... I will definitely finish this match savings thing so when I do eventually move out again, I could take advantage of this system and get some savings. That is the benefit, the only benefit, the sole benefit I saw of being in the system.’

Most of the remaining participants had never heard of the MSP. Among those who had heard of it, some felt that they would not be able to save the money to be eligible for the payment and so had not attended any training.

‘I only get \$200 in my bank account. And then \$200 goes into my BasicsCard. But that’s gone within a couple of hours of getting it because I’ve got to pay rent. I’ve got to pay food. It’s pretty hard to save the money.’

It is important to note that there were some participants who were trying to save money in the hope of receiving the MSP without realising that they would also need to complete the training to be eligible.

## 4.2 Impacts of PBIM

This section explores reported impacts of being on PBIM. These are broken down into three main areas:

- Impacts on money management;
- Impacts on personal and family relationships; and
- Impacts on relationship with DHS.

### 4.2.1 Impacts on money management

Of the 60 participants who were interviewed, many felt that the program had made managing their finances more difficult. A major issue that participants identified was that they felt that the percentage of payments allocated to PBIM was inappropriate for their particular circumstances. Participants whose bills were consistent week to week, and whose costs did not exceed the allocation for PBIM reported that it generally worked well. Participants whose bills were above the allocation in their PBIM account, or whose bills changed from week to week, more commonly recounted difficulties and were frustrated by PBIM.

‘When I first got into my own place, I struggled to pay rent because it was half and half. I had to take money out of my bank and put it into their bank account. And then the other half had to come out of my income management and... I struggled a lot to pay rent. I was always falling behind because I couldn't keep up with weekly because I only got paid fortnightly.’

‘...if we have a higher electricity bill than normal I can't just pitch in for it [with my housemates]... I can't be just "I'll split half of what's missing." and then he splits half. I can't do that at all so then he has to pick up the rest of it.’

Several participants complained that they did not understand where their payments were going and why they were getting inconsistent amounts in their accounts.

‘I couldn't control my own money... they were taking bits out and putting some in an account and some in another account and I had to transfer it and stuff like that... I didn't understand... it just done my head in all the time.’

‘I'm not getting any money on my BasicsCard left anyway, on one fortnight, and then the other fortnight I get \$140, it used to be \$65. The money keeps changing; I don't know what ... is going on with it.’

In some cases, participants reported that DHS had incorrectly paid certain bills.

‘...the [PBIM] social worker has just screwed up all my accounts since he's been a part of it... He puts on \$100 a fortnight [to pay electricity], out of one pay. I said no I need it so I can live on one pay... No, Centrelink [DHS] couldn't do that... Then I started getting disconnection notices from the electricity... [then] they turn around and they pay double payments to Mr. Rentals.’

‘...the lady at Centrelink [DHS] didn't read what she was writing down and screwed it all up. So I got a debt with them, and just got completely screwed over. It's been nothing but heartache.’

Another issue that participants mentioned was how lump sum payments were managed (such as tax returns or DHS back pay). Participants wanted to be able to use that money without the restrictions of PBIM, particularly if that money was from a tax return.<sup>11</sup>

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<sup>11</sup> It should be noted that despite the perceptions noted in this section, tax returns are not subject to income management.

'[At] the end of financial year when they do the balancing, the whole chunk of [my tax return] it went... into Income Management which means that it was virtually useless if I wanted to fix my car... why should they be able to take the whole bloody lot of it?... I should have just gone in and got a few thousand dollars' worth of tools and, "oh no, they're the wrong ones" and swapped them over.'

'I worked for 2 years before [being on income management] and turned around and saved all my tax and then they [DHS] took that off me... They wanted 50 per cent of it [to be put onto income management]... And that wrecked me going away down to Brisbane on my boy's 15th birthday.'

Many participants appeared frustrated by having to involve DHS for some of their financial transactions.

'...if I wanted to pay a different bill that's not on there, I'd have to call and get them to confirm it... if they didn't type the details in correctly, I'm sitting there scared thinking is that money going into the right spot?'

'Next thing I know someone from Centrelink [DHS] without even asking me rings [my landlord] up and has this big discussion with him and he goes oh fine, and [then my landlord] he rings me up and gets the, you know got the shits because it was like, "I told you I didn't want [to have to go through DHS] and the next thing I know Centrelink [DHS]'s ringing me".'

'It took me two and a half weeks to pay for a set of school clothes through income management... and that was through the social worker actually getting everything done, like she took her, it took her two days, two and a half days to actually do it on her own and it took them two and a half weeks to process the money to the school.'

There were a number of participants who felt that PBIM had a positive impact on their money management, and that they had learned valuable skills in managing their finances. These participants described how the program had helped them to pay their bills, put aside money for groceries, and in a few cases had helped them to save money. Several participants described how the spending restrictions had helped them to manage their addictions and this in turn helped them to manage their lives.

'It's made me a lot more organised actually. And helped me save better. Definitely save better.'

'I reckon it's a good thing. Sort of helping you figure out what to spend your money on and everything before you start earning really a lot.'

'Like I thought I was pretty good before, but the, having the income management took it a step further. And that made me feel pretty good that I had you know more control over everything.'

One young participant found the program to be so helpful that when he exited the PBIM program he arranged a system with a relative to withhold a portion of his income to pay for bills.

#### 4.2.2 Impacts on relationships

Participants described both positive and negative impacts on their relationships with family and friends as a result of being on the PBIM program.

Some participants felt that there was additional strain on relationships with friends and family as a result of being on the PBIM program. Typically, these participants reported difficulties managing their income whilst on PBIM, or struggled buying particular items with the BasicsCard, and so had relied on friends and family to help them.

‘I feel as though with my housemates picking up the slack when the card doesn’t work kind of, you know, they have to spend their money because of the stupid system.’

‘We also had a lot of fights over it... It made me feel down and things like that. But also, if we were to go out for dinner, I like to pay for my own dinner but I couldn't because my money was on my income management.’

Some of these participants reported that they already had strained relationships and felt that being on PBIM had made this worse.

‘I end up in pathetic conversations... trying to explain to my parents or other people and trying to pay for things. This situation that I’m in, it is, has been embarrassing on numerous occasions... It’s not only heavily impacting me... but it’s those around me as well... and I can’t burn any more bridges.’

Restrictions on the BasicsCard was said to be the main reason that participants turned to friends and families for support.

‘I struggled a lot to be able to get transport to go to my midwife and things like that for appointments because... they don't accept your cards in a taxi. Therefore I had to try rely on others to run me around everywhere. And I hate doing that. I feel bad.’

‘...you can’t buy cigarettes... and mum and dad, they have trouble with cigarettes as well because everyone in the house smokes and everyone bums off them and it’s more money they lose buying cigarettes all the time, so... and I don’t like bumming off people.’

Notably, those without family to support them felt that they did not have that safety net should they encounter problems with the PBIM program.

‘I’ve got no family, I got no friends, so I can’t even get support from them to go to help, like “I can’t feed my kids Mum can I grab something out of the cupboard?”’

A few participants wanted to be able to spend their money on their family, particularly parents with young children. They felt that the BasicsCard was overly restrictive in determining their spending.

‘My son will say “Can I buy something from this shop?”, but this shop won’t take the card. So I’m in the position of saying “No, I can’t”, and I have to explain to him why, which he doesn’t really understand, you know?’

Several participants felt that their stress levels had reduced as a result of being on PBIM and that this in turn had lifted some of the pressure on their relationships. These participants described being able to help their friends and family more as a result of having more money available to spend on groceries and other goods.

‘I’ve used [the BasicsCard] a few times for my grandchildren for school stuff and that and stuff they can buy them at Woollies, books or pens or stuff that they need for school they can buy it at Woollies.’

Another positive impact that participants sometimes described was that the BasicsCard meant that they were unable to lend money to friends and family. For these participants this was a positive thing as it meant they were not obliged to give money where they felt that the money would be spent irresponsibly.

‘...my teenage son he sometimes wants me to pay him money for food or for clothes or whatever... I’m like, “I’ve only got money on my BasicsCard son.” So it helps me save money from being spent in an irresponsible way because he likes to spend money on... he’s got an issue with marijuana...’

‘[Before] I would lend people money and stuff and you [would] never get it back. This way now I can’t because I don’t get much money and if I do offer somebody something... it’s food and it’s something I can only help them with but I can’t give them anything else.’

### 4.2.3 Interactions with DHS

Participants described both positive and negative interactions with DHS. Some participants found that their relationship with DHS had improved as a result of being on PBIM. For example, some commented that since being on PBIM they did not need to attend DHS as frequently, and that when they did need to attend the queue for PBIM clients was faster, and the staff more friendly.

‘It has made the whole Centrelink [DHS] process a lot easier because your wait is not even half an hour with Income Management. Most of the people in that section are actually lovely, whereas in other sections, I’ve had some people that might have had a bad day and it’s not great when you are in there for like an hour and you have got someone who is grumpy. But no, the Income Management people are always so nice.’

‘I could get on a personal level with the people at Centrelink [DHS] in Income Management, because they were really nice people. So, going into Centrelink [DHS], I didn’t find any problems there.’

Some participants negotiated with DHS social workers to develop PBIM arrangements that fitted with their personal circumstances, for example, by agreeing with DHS what percentage of funds would go to the BasicsCard versus payment allocations.

‘And [the DHS social worker said] that was up to me how much, how I carved it up... So that’s why I also found it good... he explained this to me saying that I can choose from here, I could put the whole thing onto my Basic card or the whole thing onto my savings... He goes, “Out of this, what do you need, need, need?”’

‘...they asked me what did I want it to be. Like if I wanted my money to be separated, like get paid one week and then get paid the... like in halves. Well I said just split it in to two and put one on a card, and the other one on... in to your bank.’

Other participants did not feel that there was any room for negotiation. The feeling of being ‘forced onto’ PBIM seemed to establish an oppositional and conflicted relationship with DHS for a few participants. It was discussed by some participants that they felt ‘forced onto’ the program.

‘I just don’t see the point in complaining to them about it, because it’s not going to change a thing.’

‘I don’t really like communicating with Centrelink [DHS] because the way I see it is, no matter what, they are going to do things their own way. They are not really going to help you with anything.’

‘I said that we couldn’t pay our bills or anything, like, we wouldn’t be able to live on the income manage, and I was crying.’

Some participants reflected that PBIM was preventing people from learning how to manage their own affairs.

‘They’re basically taking all those bumps out of the road and saying you know “we’ll just keep making it easier, you don’t need to learn anything, we’ll just fix it up”... I don’t like it when all the controls taken off my hands, I like some grasp on where my life is going... not enough grasp and you’re sort of like caged, no control of where you’re going...’

A few participants perceived that the PBIM social workers were insufficiently informed about the program, or not always clear on the advice they gave.

‘I got told by a couple of girls at Centrelink [DHS] that I didn’t have to be on it once I had a baby, and then when I called up to actually say that I, like, wanted to be on it voluntarily, the lady said that there is no voluntary for me, I have to be on it because I’m not with my parents and I have no other income other than Centrelink [DHS] and all of this. And then I was a bit confused about that so then I called up Centrelink [DHS] again and they’re like, “No, that lady’s got it wrong. You do not have to be on it.”’

It was reported that this was particularly the case for DHS social workers outside of the pilot sites.

‘...a lot of people [DHS staff] don’t seem to know about the card, so I’ve been forced to go to [LGA name omitted], even though [LGA name omitted – non PBIM site] is the nearest office to me.

I was at a Centrelink [DHS] out west... The Centrelink [DHS] officer I went to weren’t prepared for it so they didn’t even have the card or anything and then they had to get, they had to call up [LGA name omitted] Centrelink [DHS] to try and walk them through the process. Even the people at that Centrelink [DHS] were saying that they heard that it doesn’t catch on, that it’s terrible.’

## 4.3 Experience with the BasicsCard

### 4.3.1 Overall impressions of the BasicsCard

Participants’ impressions of the BasicsCard varied, but most participants felt that the card was somewhat restrictive and difficult to use. Frustrations generally related to the shopping restrictions.

‘There’s the very small, select amount of shops you can use the card in... it’s very, very limiting.’

‘...they pretty much just gave me a booklet that said, ‘These are pretty much the places you can spend it at’, but I looked in the booklet and most of them were clothes places or stuff like that and I was just like, ‘That’s not really what I use it on’.’

The main restrictions that appeared to cause frustration were buying tickets for public transport (this was only at some locations, see Section 4.4.3 for more details), paying for taxis, buying ‘one-off’ items (such as prams, cars), phone credit, petrol, medical items and having cash available for emergencies.<sup>12</sup> These will be discussed in the subsequent section.

Interview participants also noted at times that shops that accepted the card tended to be more expensive. For example, participants wanted to shop for groceries at less expensive outlets (such as Aldi instead of Coles and Woolworths). This was particularly concerning for participants who said that they were struggling to afford basic necessities.

‘There has been numerous places where I’d purchased things for myself on a bit of a budget, buy at a reduced price, whereas because I’ve got to go to these other certain places, I’ve got to purchase for the higher price, or whatever is available.’

‘Yeah it’s not enough money... certainly I’m doing it tough. I’ve had to go to places to get food vouchers or overnight packages for food.’

There were a few participants who found the BasicsCard to be easy to use, and who felt that it had a positive impact on their financial management.

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<sup>12</sup> It should be noted that the phone credit and petrol are not restricted for the purposes of income management, however, merchant availability in certain locations may impact availability for customers.

'I think I was more cautious of where I spent the money, especially with the BasicsCard you know...having that money on that card meant that I could put money towards groceries and stuff.'

'You can't teach me new, like new tricks or old tricks, so yeah, the BasicsCard should stay because people like me, you know, can still feed the kids, dress the kids.'

A few others reported that the BasicsCard had not impacted on their shopping or spending behaviour at all.

'...it's basically the same as being normal, it's just you've got two different cards.'

'...it's just like having your credit card or whatever, like, you go and buy something and then you use the card to pay for it.'

### 4.3.2 Limitations on use of BasicsCard

Most participants said they had received information outlining which stores in their areas accepted the BasicsCard. However, a few participants appeared to be unsure which stores accepted it, and felt that there was a discrepancy between what DHS had advised and which retailers accepted the card. In one LGA in particular, approximately half of the participants said they had been unable to use the BasicsCard at shops DHS had advised accepted the card.

'And I swiped it and they're like no, they don't work. I was like, well I've been told it works, I've even got a piece of paper in the car... that says everywhere it works.'

'I went to buy fruit and vegetables, which they suggested the shop around the corner from me... I went there three times, the Income Management card never worked once.'

Some respondents discussed difficulties in purchasing specific items with their BasicsCard. These are outlined below.

### 4.3.3 Restrictions on expenditure on transport and travel

Participants described a number of restrictions on their purchasing behaviour that affected their access to transport. Several participants described having difficulties purchasing petrol from petrol stations they thought accepted the BasicsCard. In a few cases, participants had only realised this after filling their car up.

'...the first time that we did the petrol thing, put petrol in the car and we went to the Caltex and I was like, well I have the money on here so I'll pay for it and then it didn't work, and then we already had the petrol in the car... That was hectic, that day, we were looking for coins and all that kind of stuff. I mean, I had to get mum to come down to give us some money.'

'... if you're driving down Main Road and you're like about to run out of petrol, you can't drive all the way down to the Coles one because

you might actually run out. And you can't use it at the Caltex one, so you're screwed.'

Some participants, notably young women with young children, described difficulties getting around due to apparent restrictions paying for public transport and taxis. For example, pregnant women found it difficult to get transport to hospital for medical appointments.

'I struggled a lot to be able to get transport to go to my midwife and things like that for appointments because if I was to get a taxi, "Hey, you can drop me off somewhere but can I use my card," because they don't accept your cards in a taxi.'

'...you can't buy bus tickets on it to local shopping centers, you can't buy taxi vouchers. And people like me, like I said to [the DHS staff] when [they were] putting me on it, I need to get my car on the road. I said my son is in and out of hospital, I need taxi vouchers or bus tickets to do this. I can't do that.'

'I can't pay for credit, like transport credit to get my son to and from school... I've now got recorded, recorded convictions just for sitting on a train because I don't have, because they don't accept the train fare of the BasicsCard.'

All PBIM locations had restrictions for purchasing taxi services. Participants from Logan and Rockhampton consistently described having restrictions for purchasing public transport. This was a considerable issue for participants in Logan and Rockhampton.

A few participants wanted to buy a car or to repair their car but were unable to due to perceived purchasing restrictions. For example, one participant was seeking employment with early morning shifts but was unable to get transport to work, nor was she able to purchase a car despite having saved sufficient money through PBIM and other sources.<sup>13</sup>

#### 4.3.4 Restriction on spending on medication

Several participants were unable to purchase medical items from their local chemist. These participants were generally aware which chemists accepted the BasicsCard but they found it difficult to get to those participating chemists.

'... I'm not going to stop at three train stations, walk into a chemist just to be told, no, we don't accept them... if I needed something I can't walk down there [to my local chemist] and use the card... [for] like an asthma puffer and all that other stuff.'

'...there's medications and all the rest of it that they say that you can pay for out of chemists which you can't... I've got to do it through actual Diabetes Australia because the government doesn't support any of the stuff for a diabetes pump...'

A few participants were concerned that they did not have cash available in the event of an emergency.

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<sup>13</sup> It should be noted that despite the perceptions noted above, IM customers are able to purchase a car and layby purchases are accepted on BasicsCard in participating retailers.

'I just want to hold onto the money for emergency cash for a taxi or something and it makes it very hard really.'

'I had to take an ambulance to hospital because of the stress and the fighting over the, everything that happened to me on income management...I got stuck, put out of Casualty at 11:00 in a hospital gown in my underwear with no money, no clothes, no phone, and I had no money to get my car home or to me because the petrol station didn't take that card.'

#### 4.3.5 Impacts on purchasing items for infants

There were several young women on single parenting support payments who said that they found it difficult to find a retailer who accepted the BasicsCard so that they could buy items for their new born infants.

'I couldn't buy her pram. I couldn't buy her cot. I couldn't buy her a bassinette. I couldn't buy a change table. So there was quite a few things I struggled with. I couldn't buy her formula because it was at a chemist.'

'...because like we're having a baby now and everything, and with being on the BasicsCard I can't get everything that I wanted to get.'

These participants eventually found participating retailers to buy these purchases using the BasicsCard (BigW, Kmart) but were frustrated by the smaller selection at these stores. For more expensive items (such as prams) some parents said they were unable to place those items on layby using the BasicsCard. This was a source of anxiety for a few participants.<sup>14</sup>

#### 4.3.6 Impacts on purchasing other items

Several participants had difficulties purchasing credit for their phones. There seemed to be quite a bit of confusion over whether buying phone credit was possible using the BasicsCard, and whether some retailers would allow this despite restrictions.

'I needed some [phone] credit... and I actually complained to the [store] manager. They said that [phone credit] that wasn't a necessity. And I had to make, I had to make a few calls to, for an appointment for a doctor, and they wouldn't, they wouldn't, they didn't want to give me the credit for the phone... And it was very degrading... it's just belittling me, you know what I mean?'

Several participants were frustrated over the types of stores available to purchase clothes from. This was particularly the case for younger participants who felt that Kmart and Target were not fashionable, or participants who wanted to buy better quality items (such as shoes). Participants usually had no other funding sources to pay for these items and so they felt quite restricted in their purchasing.

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<sup>14</sup> It should be noted that despite the perceptions noted above, IM customers are able to purchase a car and layby purchases are accepted on BasicsCard in participating retailers.

'I don't feel like I've got the free will to go and do my clothes shopping wherever. Because I'd usually go like Cotton On, Body and whatnot, and now I'm stuck with Kmart brand.'

'...when it came to shopping for clothes the BasicsCard didn't really help... I shop at City Chic, I know they're expensive but I feel comfortable in what I wear.'

#### 4.3.7 'Getting around the system'

Several participants described using alternative methods to purchase items that were outside the intended application of the BasicsCard system. These methods included: lending the BasicsCard to friends who reimburse the participant with cash, finding retailers who were more relaxed and would allow the purchase of cigarettes; hiding the BasicsCard emblem when purchasing; and buying an item with the BasicsCard only to return it for cash.

'...occasionally I would use my card to buy something for someone else and they give me the cash, because I had to tiptoe around just so I could go to the movies with my mates.'

'If I'm really needing a cigarette I'll probably try and scoop around to see places where I could buy something and then maybe, I've done it before, refunded it for cash... that's how desperate I have felt and become just to get my hands on my own money, I have to be sly about it. Like buy an expensive perfume and return it for \$80 cash. Buy cigarettes on the sly. And alcohol.'

Typically, these participants explained that they felt ashamed to be reduced to this behaviour and that they did it infrequently when they needed cash.

#### 4.3.8 Technical and account management issues

Most participants did not encounter technical difficulties using the BasicsCard. The main difficulties that participants raised related to knowing how much money was on the BasicsCard, and transferring money on to the BasicsCard. Several participants described instances where they thought there was money on their BasicsCard only to find that their card had been declined.<sup>15</sup>

'[I] tried going shopping on Monday and went to swipe the card and it's saying it had no funds on it but I put the funds on just before we left to go to the shops and then I'm stuck there at the register with all these groceries. It's going "Insufficient funds." I'm like "pfft." It's happened two times last week.'

'I'll go shopping and that and... go to use my BasicsCard and it'll say there is no money on it. And then I'll have to go to the computer and transfer it all...'

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<sup>15</sup> It should be noted that there are many options for customers to check their balances on the BasicsCard (including online, telephone). The money is transferred onto the card immediately.

A couple of participants who did not have internet access, found it difficult to work out their account balance.

‘...they’ve got little pedestals [at DHS] where you can check your account balance. Or if you have the phone number to ring. If you don’t have either of them you have no idea if you have money on your BasicsCard or not and it’s really confusing, and you go to buy something and you find out you don’t have any money.’

Several participants described having technical difficulties over the weekend when they were unable to get direct assistance from DHS.

‘... very time I try and transfer money onto the card the system would kind of lock up and say “You don’t have permission to access these funds.” So then it was on a weekend and I was trying to get some money to try and do a bit of last minute grocery shopping or something, then I wouldn’t even be able to call up Centrelink [DHS] to put money on the card, so I’m just stuck.’

‘...I have to get on the computer and transfer it over every morning on a Saturday and if the computer is down, there is no money until Monday, because Centrelink [DHS] is not open on Saturdays either.’

#### 4.3.9 Perceived stigma

Many participants did not feel that they were treated differently when purchasing items with the BasicsCard and felt comfortable using the card. Most participants however (around two thirds) felt that shop staff treated them differently when they used the BasicsCard or they felt embarrassed using the card.

‘I was embarrassed... here I had a girl that could be my daughter... telling me I wasn’t allowed to get a thing for my phone... and it was very degrading... I was with my kids... it’s just belittling me... all my life I’ve been used to paying my own way, and then all of a sudden this girl is questioning me, my integrity and sincerity.’

‘...you get laughed at... you feel degraded. It’s degrading. It’s very degrading... I actually had to stand there for 45 minutes and explain to that bloke... that I was on income management.’

Some participants described how they avoided showing cashiers their BasicsCard.

‘I always went through the self-service checkout because I didn’t want anyone to know that I was on Centrelink [DHS].’

‘I hold the card in my hand, I don’t like showing it... feels like you’re disgraceful.’

Even though some participants did not have specific examples of being treated differently by cashiers, the participants still expressed a sense of personal shame.

‘...because like, when you think of someone that has an income manage card, you think of someone that’s a bogan, that does drugs, that can’t look after their kids, you know, stuff like that.’

‘I always have the feeling that there’s someone staring at me, being like “Oh, that idiot is on Centrelink [DHS], yeah, like they can’t get a job” type of thing. I feel so judged when I use it... they see like I’m using a BasicsCard, I feel like they’re saying to themselves “Oh, what a loser,” type of thing...’

## 4.4 Accessing further help whilst on PBIM

Participants were prompted to discuss whether they had sought and/or received assistance or support of any kind from individuals or organisations (other than the services provided via the PBIM Program) during their time on the Program. This could include extra DHS services, assistance from organisations providing health, financial, or employment support, as well as any informal assistance provided by friends or family members. Following on from this, participants were asked to elaborate on whether they felt they were able to access all the support and assistance they required whilst on the PBIM Program, and if not, then what they were in need of and/or how their circumstances could be improved.

Generally, participants had not accessed or received additional support services beyond those provided by DHS. However, amongst those who had, the most common types of assistance received related to: the services provided by Job Service Australia agencies (often referred to by DHS); assistance provided by friends and family members (accommodation, food, money, transport, etc.); and, assistance and financial support provided by charitable community organisations. A very small number of participants had accessed extra services or products from DHS, beyond those provided via PBIM (in the form of financial loans).

In regards to participants’ perceived unmet needs, most did not specify any; those that did referred to the need for extra money in general, more comprehensive healthcare and job-seeking services, and greater support and flexibility from DHS staff.

### 4.4.1 DHS services

Very few participants had sought or accessed any DHS services beyond those offered through the PBIM Program. Several participants described how they used to use Centrepay before being placed on the PBIM program. In all cases they said they had found Centrepay to be easier to use, and more flexible as they did not have to go through DHS to adjust bill amounts.

‘[With Centrepay] I could actually high[er] or low[er my bills] at whenever I felt I needed to, [but now] with the way that I had to do it I can only look at what’s on the screen and then I have to phone Centrelink [DHS] again, the Income Manage people, to get them to higher or lower it. Yeah, if I wanted to pay a different bill that’s not on there, I’d have to call and get them to confirm it. If not, if I didn’t have all the details then it wouldn’t get paid. It’s frustrating to have a middle man in there.’

‘I found getting my money done like that, Centrepay, there was no screw around with it. It doesn’t change every friggen week.’

‘...and you know how long I’d been Centrepaying? Since the day that they’d brought it out through Centrelink [DHS] and I’d never had a problem...’

#### 4.4.2 Assistance received from other support services

Generally, participants had not sought or received assistance from other support services during their time on the PBIM program. Those who had mentioned contact with community-based organisations that provided support and assistance to those in need (e.g. Red Cross, The Bridge Youth Services, etc.). These services mainly involved financial support and counselling, and assistance with housing needs. Other assistance received related to covering healthcare costs.

‘I’m a member of Red Cross, the Raid program; they come out and help families that are struggling and stuff, they come to you and they help you out, and they look after you.’

‘Before they stuck me on Income Management, yeah I was struggling, but [Name of financial counsellor omitted] -- they [DHS] put me through to her – they made me go bankrupt... like, a financial counselling company... she cleaned up a lot of my debts, she made me go bankrupt, I didn’t have a choice.. I just signed it I went bankrupt October last year. She helped me until Christmas, she brought me Christmas presents, and kept bringing me food around.’

‘This was when I was homeless I was doing that with my school, like Flow Program and that. Like Hyper or Opal, all the youth programs were helping me get into a home; yeah, it would have been Hyper.’

‘I was with the [Bridge] which is an outside service. They are linked with Centrelink [DHS] but it's a service that, yeah, help you support yourself financially. It's good with counselling-wise and things like that. It's a whole range of things.’

‘I’ve got an electricity bill here for 98 dollars so my financial advisor I should say, Primary Care Connect, if I’ve got any troubles, I’ll just take letters into him and he’ll contact Centrelink [DHS]... If I’m very concerned about, say a letter or bills, he’ll chase it up.’

A few participants mentioned their dealings with Job Services Australia Networks, to which they were referred by DHS as part of receiving their NewStart/Job Seeker payment. Participants’ views on the helpfulness of such organisations varied; some found the services of great assistance, while others felt as though they had gained little from their dealings with these organisations.

‘The start of this year I went to Ask Employment or something and she actually is the one that helped me get into finding a traineeship... she’s actually the one that got me into this course... Yeah, and it’s good because you just see the one person, you don’t go in there and see different people, it’s your one person, so it’s very good.’

One participant mentioned receiving a loan from Cash Converters when they were financially in need.

‘No, I went for a bank loan the other, not bank loan, sorry Cash Converters loan the other day but that was just for my own personal thing, that was about it – because Centrelink [DHS] couldn’t help me with that.’

#### 4.4.3 Perceived unmet needs for assistance

Participants were asked to elaborate on any ways in which they felt they required more assistance or support in their day-to-day lives. Generally, participants expressed that they had not been in need of any particular support services that they could not access. The most common responses to this prompt amongst those who felt they required more assistance related to requiring more money in general, better understanding and support from DHS, and greater flexibility when it came to PBIM, particularly the BasicsCard system. Specifically, participants expressed a need for a more tailored approach to PBIM, so that their particular needs, such as health-related costs and one-off purchases, could be more easily met. (Issues relating to how participants’ needs for assistance could be better met are discussed further in 4.5).

‘I like to get health support, I have too much of complications and every two weeks mainly I buy medications for at least \$125.00 worth. I go [to the chemist], when I give the card there it’s not acceptable so I buy it from the money they credit to my account to do the other things.’

Participant: But when I go to see my specialist it costs me \$142.50 for a consult and I see my specialist every six months and I have, and then I’ve got to go to Medicare and they give me the refund or put it in...

Moderator: So have you been able to do that okay?

Participant: Barely. We’re still struggling.

## 4.5 Participants’ suggested improvements

Throughout the interviews, participants occasionally provided suggestions as to how the PBIM Program could be improved to better serve their needs. These suggestions generally related to five main issues and are discussed below.

### 4.5.1 Greater flexibility of funds allocation

The most common suggestion for improving the PBIM system for customers related to a desire for greater flexibility of funds allocation between the BasicsCard, automatic payments, and the funds transferred as cash into participants’ personal accounts. Participants commented that they required increased agency over how their payments were directed, so as to be able to better manage their funds in light of their personal needs and circumstances. This could involve flexibility around the proportion of funds filtered onto the BasicsCard or into one’s personal account as cash, and increased control and flexibility of the automatic payments made, e.g. rent and bills.

‘I only spend roughly about like 150 on food shopping and everything like that. So the \$60 is pretty much like just sitting there, because I don’t really go clothes shopping, only if I really need something. So the \$60 would be much better like in cash in case I needed it for an emergency for something else that I couldn’t spend at the certain stores.’

‘I guess it would be good if – there’s probably no way, like if you had proof that you needed to get an advance for, like if you know, you owed someone that money or whatever, it’d be good if you could show them some kind of proof and they could get the money for you, get it out.’

#### 4.5.2 Wider catchment of BasicsCard-accepting businesses

It was mentioned by a number of participants that the user-friendliness of the Program could be improved if a larger spread of services and businesses accepted the BasicsCard. It was mentioned by participants across all locations that the Card was often not accepted at shops usually patronised, or where specific purchases needed to be made (such as, for instance, outlets selling car parts, pharmaceuticals, or school uniforms) and that better use could be made of the funds accessible via the BasicsCard if a wider selection of local businesses accepted it. Similarly, there were a number of services that could not be accessed using the BasicsCard, such as public transport, taxis, and healthcare. It was reported that the inability to use the BasicsCard to pay for such services had created a considerable amount of inconvenience and hardship for several participants.

‘There’s the very small, select amount of shops you can use the card in... it’s very, very limiting.’

‘When you open up a BasicsCard... the Centrelink [DHS] should ask us at least to give them five shops where we are going to shop mostly. And those places their case manager or someone has to go and talk to that shop and ask them to accept that card... so it’s easy when I get my card straight away I will go and purchase my things in that place... the card is not a problem... Centrelink [DHS] has to do their marketing, marketing properly.’

#### 4.5.3 Improved assessment criteria and selection process for PBIM

Some participants felt that DHS required a more individualised approach to assessing whether individuals would benefit from being put on the PBIM Program. That is, it was felt that there was often little acknowledgement of people’s specific circumstances, including people’s existing ability to manage their finances, and their individual lifestyles and day-to-day needs. Given that the Program had the potential to have a significant impact on people’s lives in various ways, it was thought that greater consideration and deliberation should be given to DHS’s assessment and sign-up processes.

‘Really look into the history properly, more than one person should look into that person’s history, do you understand, before you put them into it. Because it’s going to affect their life, it’s going to affect their health...’

‘...if I didn’t get taken off income management I would have slit my own throat because it was that hard... Disability, people with disabilities and with kids, I’d really take a real good look at the way that the program’s set out to assess them.’

#### 4.5.4 Improved administration for the BasicsCard system

A number of participants mentioned that there were some administrative issues with the BasicsCard system that had caused difficulties for them when using, or attempting to use the Card. This mainly involved a lack of clarity and understanding relating to where the Card could be used, with some participants explaining that they had at times attempted to use the Card where it was reportedly accepted, only to be unable to pay for the goods they intended to purchase. Likewise, it was reported that the outlets at which the Card could be used was not made sufficiently clear to some.

‘There was a book that came with it that, and a website that showed all the places, but it just, you had to search in the name of the place to find it or something, I can’t remember. It wasn’t very well laid out, how you view all the different places that take it.’

It was mentioned by several participants that the Program could be improved by making it easier for customers to monitor their available funds as is possible with personal bank account balances.<sup>16</sup>

‘If there as an online service where I didn’t have to necessarily, especially if it’s already bills that are already in the system that I can change that myself, that would be helpful. If there was a way that I could, I don’t know, merge it with my current bank perhaps, so that if I just log into Centrelink [DHS] I’m already logged into my bank or vice versa, and I can actually see where everything is. ‘Cause at the moment I kind of have to have one screen for Centrelink [DHS], one screen for my bank and work out which card I’m going to use .’

#### 4.5.5 Increased confidentiality, reduced stigma

A small number of participants commented that their experience of the PBIM Program could be improved by increasing their confidentiality when it came to using the BasicsCard. That is, unfair treatment and stigmatisation could be reduced if participants’ involvement in the Program was made more inconspicuous; it was suggested that the BasicsCard be made to look more like a regular bank card so that individuals could use it without drawing attention to their involvement with the Program.

‘If they had a card that wasn’t so obvious it’s a Centrelink [DHS] card then it would be another story. If they didn’t have the whole ‘BasicsCard’ in bright green and all that crap on it...’

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<sup>16</sup> It should be noted that online and mobile capability to monitor balances is available. This is supported by data on online and mobile usage.

## 5 Online surveys

As noted in Chapter 2 online surveys were conducted between October and November 2014. Online surveys were completed by:

- DHS staff – including CSOs, Social Workers, ZIMCOs and IMCOs
- FMPS staff.

Online surveys are continuing to be completed by BasicsCard merchants. Outcomes from these surveys will be reported in the Consolidated Evaluation Report in April 2015.

### 5.1 Online survey of DHS staff

#### 5.1.1 Summary statistics

This survey was fielded from 13 October to 31 October 2014 with a total of 105 responses. A breakdown of responses is provided in Table 5.1.

**Table 5.1: DHS survey responses by staff role and location<sup>(a)</sup>**

Site	CSO	Social worker	ZIMCO/IMCO
Bankstown	6	<5	<5
Shepparton	<5	<5	<5
Logan	12	5	<5
Playford	<5	5	<5
Rockhampton/Livingstone	12	<5	<5
Other location	37	<5	<5
<b>Total</b>	<b>73</b>	<b>22</b>	<b>10</b>

(a) Where the number of participants is <5, the number has been suppressed to preserve privacy, n=105

The survey was programmed into the DHS Information Technology (IT) Security approved platform Web Survey Creator. This approved platform did not permit use of free text, so the survey was edited to remove all free text response options and in place, suggested options were provided for participants to select.

#### 5.1.2 Description of data collected

##### 5.1.2.1 Assessment, referrals and allocation interviews

CSOs and ZIMCO/IMCOs were asked whether they had conducted any allocation interviews (either initial or review) with any customers in the past year. The majority (79.5 per cent) of CSOs or ZIMCOs reported they had conducted allocation interviews with PBIM customers in the past year. Table 5.2 shows that of those who had conducted allocation interviews, CSOs or ZIMCO/IMCOs most commonly reported they had conducted 1-10 interviews for all customer types; 58.5 per cent for VIM, 40.0 per cent for VULN and 53.8 per cent for CPIM. This was followed by CSOs and ZIMCO/IMCOs reporting they had conducted 11-20 allocation interviews; 13.2 per cent for VIM, 10.9 per cent for VULN and 23.1 per cent for CPIM.

**Table 5.2: Estimated number of allocation interviews conducted for customers placed on VIM and VULN in the past year**

Type	1-10	11-20	21-30	31-40	41-50	51-60	61-70	71-80	81-90	91-100	101-500
VIM	58.5	13.2	5.7	3.8	5.7	3.8	0.0	0.0	0.0	7.5	1.9
VULN	40.0	10.9	7.3	3.6	16.4	1.8	0.0	1.8	1.8	7.3	9.1
CPIM	53.8	23.1	0.0	7.7	7.7	0.0	0.0	0.0	0.0	0.0	7.7

Social workers were asked whether they had assessed any customers for PBIM under the VULN measure in the past year. The majority (81.3 per cent) of social workers who participated in the online survey had assessed customers for PBIM under the VULN measure. Of the social workers who had assessed customers, 75 per cent reported they had assessed fewer than 10 customers in the past year, while only 12.5 per cent of respondents had assessed over 20 customers for PBIM under the VULN measure in the past year.

The main reasons social workers decided to apply PBIM under the VULN measure included<sup>17</sup>:

- homelessness or risk of homelessness (87.5 per cent of social workers)
- financial hardship (81.3 per cent)
- failure to undertake reasonable self-care (68.8 per cent)
- financial exploitation (12.5 per cent).

In addition, social workers were asked if they had provided support to, or referrals for, CPIM customers. Of the 22 who responded, 72.7 per cent responded 'no' and the remainder 'yes'. Those who responded 'yes', were asked what kinds of support or referrals they provided. Three provided support or referrals to social workers, one to a financial counsellor, one to a welfare, crises support service/family support service and the other to a service that was not listed.

#### **5.1.2.2 Priorities for allocation of income managed funds and usefulness of programs/services**

CSOs and ZIMCO/IMCOs were presented with a list of options for the most common priorities for the allocation of income managed funds. In order of proportion of people who responded who selected, the most common priorities were (where n=66)<sup>18</sup>:

- rent (98.5 per cent of people who responded)
- food (81.8 per cent)
- utilities (71.2 per cent)
- whitegoods or household items (40.9 per cent)
- debts, including loan repayments (39.4 per cent)
- other goods or services (16.7 per cent)
- clothing (12.1 per cent).

<sup>17</sup> N=16 and multiple answers allowed, meaning percentages sum to more than 100 per cent.

<sup>18</sup> This represents the proportion of people who responded, who selected this as one of the three most common priorities. As multiple responses were allowed (up to three selections per person), this sums to more than 100 per cent.

From a list of 15 different services and programs that they might refer customers on PBIM to, CSOs and ZIMCO/IMCOs were asked to select the three most useful for customers on PBIM. Table 5.3 summarises the percentage of people who selected the service or program as one of the three most useful for customers. For VIM customers, financial counselling (61.4 per cent) and MMC (51.8 per cent) were the most useful services, for VULN customers, social work (Centrelink) (53.0 per cent) and housing homelessness services (53.0 per cent) were the most useful services and for CPIM, social work (Centrelink) (32.5 per cent) and family support services (28.9 per cent) were the most useful services according to DHS staff.

**Table 5.3: Most useful services or programs for VIM, VULN and CPIM customers (per cent of people who responded)**

Service/program	VIM	VULN	CPIM
Financial counselling	61.4	37.3	19.3
MMCs	51.8	36.1	12.0
Communities for children services	4.8	3.6	26.5
Social Work (Centrelink)	30.1	53.0	32.5
Family support services	14.5	16.9	28.9
Language, literacy and numeracy program	12.0	10.8	3.6
Work for the Dole	7.2	6.0	0.0
Voluntary work	4.8	2.4	1.2
Green Corps	0.0	1.2	0.0
Education or training course	22.9	24.1	4.8
Emergency relief	18.1	20.5	7.2
Housing/homelessness services	39.8	53.0	9.6
Not applicable –I haven't worked with these clients	6.0	7.2	49.4

Note: this is the proportion of people who selected this response. Since multiple responses were allowed (up to three), all services sum to more than 100 per cent.

### 5.1.2.3 Impact of PBIM on customers

Social workers, CSOs and ZIMCO/IMCOs were asked whether they had seen positive impacts for customers who had been placed on VIM and VULN. Table 5.4 shows the majority of staff reported they had seen positive impacts for VIM and VULN customers (85.7 per cent and 84.8 per cent staff reported 'yes' for each measure respectively), and 36.2 per cent had seen positive impacts for CPIM customers.

**Table 5.4: Have staff seen positive impacts for customers placed on PBIM, by PBIM measure (per cent)**

Answer	VIM	VULN	CPIM
Yes	85.7	84.8	36.2
No	1.0	2.9	5.7
Not sure	7.6	7.6	8.6

Answer	VIM	VULN	CPIM
Not applicable	5.7	4.8	49.5

n=105

Social workers, CSOs and ZIMCO/IMCOs who responded 'yes' they had seen positive impacts for customers were also asked to indicate what types of positive impacts they had seen. Table 5.5 shows the proportion of staff who reported positive impacts by impact, noting that more than one impact was able to be selected (hence summing to over 100 per cent). Across all customer types, (VIM, VULN and CPIM) the majority of staff saw positive impacts in financial stability, housing stability and ability to provide for self.

**Table 5.5: Positive impacts for customers (per cent)**

Impact	VIM	VULN	CPIM
Improved financial stability	81.1	73.0	60.5
Has enabled customers to save money	61.1	25.8	23.7
Improved housing stability	75.6	77.5	86.8
Avoidance of financial exploitation	46.7	43.8	21.1
Improved ability to provide for children or dependants	58.9	46.1	89.5
Improved ability to provide for self (such as ensuring money is available food)	80.0	78.7	68.4
Reduced expenditure on harmful goods or services (such as alcohol, tobacco, gambling or pornography)	24.4	32.6	36.8
Reduced use of welfare or emergency payment services	35.6	39.3	26.3

VIM: n=90; VULN: n=89; CPIM: n=38. Note: this is the proportion of people who selected this response. Since multiple responses were allowed (up to three), all impacts sum to more than 100 per cent.

Social workers, CSOs and ZIMCO/IMCOs were also asked whether they had seen negative impacts for customers who had been placed on VIM and VULN. Table 5.6 shows that 41.0 per cent of respondents had seen negative impacts for VIM customers, 55.2 per cent of staff had seen negative impacts for VULN customers and 13.3 per cent for CPIM customers.

**Table 5.6: Have staff seen negative impacts for customers placed on PBIM, by PBIM measure (per cent)**

Answer	VIM	VULN	CPIM
Yes	41.0	55.2	13.3
No	45.7	34.3	31.4
Not sure	7.6	5.7	3.8
Not applicable	5.7	4.8	51.4

n=105

Social workers, CSOs and ZIMCOs who responded ‘yes’ they had seen negative impacts for customers were also asked to indicate what types of negative impacts they had seen. These findings are summarised in Table 5.7. For VIM and VULN, the majority of staff indicated this had negative impacts on customers’ ability to change the allocation of income support required for their basic needs (58.1 per cent and 50.0 per cent respectively). For VULN and CPIM customers, the majority of staff stated it had negative impacts in terms of placing strain on the relationship between customers and DHS staff (56.9 per cent and 92.9 per cent respectively).

**Table 5.7: Negative impacts for customers (per cent)**

Impact	VIM	VULN	CPIM
The timing of the payment of allocated funds, or the use of direct debits, can cause customers to incur additional costs	27.9	22.4	21.4
Income Management can encourage dependency among customers	16.3	10.3	7.1
Income Management does not allow customers flexibility to pay their rent, utilities, or basic goods and services in a way that suits them best	34.9	32.8	28.6
As the percentage of managed income cannot be varied, customer are unable to change the allocation of income support required for basic needs	58.1	50.0	21.4
Income management places a strain on the relationship between customers and DHS staff	18.6	56.9	92.9
Other negative impacts that are not covered above	37.2	55.2	50.0
Not sure	2.3	1.7	0.0

VIM: n=43; VULN: n=58; CPIM: n=14. Note: this is the proportion of people who selected this response. Since multiple responses were allowed (up to three), all impacts sum to more than 100 per cent.

#### 5.1.2.4 Staff and service provider perceptions of PBIM

SOs and ZIMCO/IMCOs were asked to select their agreement in response to a list of provided statements. Table 5.8 shows the proportion of all ratings for each of the five statements. As can be seen, most people who responded strongly agreed or agreed to the statements, ‘the VIP has motivated customers to stay on VIM’ (78.3 per cent) and ‘money management courses and/or financial counselling have contributed to improvements in customers’ ability to save money’ (56.6 per cent). The statement with the highest proportion of people who disagreed or strongly disagreed was ‘the matched savings scheme payment has motivated customers to take up referrals to and attend MMCs’ (30.1 per cent).

**Table 5.8: Proportion of staff in agreement with statements (per cent of statement total)**

Statement	Strongly agree	Agree	Neither agree or disagree	Disagree	Strongly disagree	Not applicable /not sure
The Matched Savings Scheme Payment has motivated	6.0	27.7	26.5	24.1	6.0	9.6

<b>Statement</b>	<b>Strongly agree</b>	<b>Agree</b>	<b>Neither agree or disagree</b>	<b>Disagree</b>	<b>Strongly disagree</b>	<b>Not applicable /not sure</b>
customers to take up referrals to and attend MMCs						
The Matched Savings Scheme Payment has improved customer's ability to manage their money	3.6	26.5	32.5	18.1	3.6	15.7
The VIPhas motivated customers to stay on VIM	32.5	45.8	14.5	1.2	0.0	6.0
MMCs and/or financial counselling have contributed to improvements in customers' ability to save money	4.8	51.8	22.9	4.8	3.6	12.0
I have seen improvements in customer's knowledge and skills in money management as a result of attending financial counselling or MMCs	6.0	37.3	31.3	7.2	1.2	16.9

n=83

Social workers, CSOs and ZIMCO/IMCOs were asked to rate on a scale from 1 (not at all useful) to 5 (very useful) how useful they thought PBIM was as a tool (together with other support services such as financial counselling and MMCs) in assisting customers to achieve a selection of different outcomes. Table 5.9 displays the proportion of all staff ratings for each of the five different outcomes. The following list presents the most often selected ratings in relation to each outcome:

- ‘Reduce immediate hardship and deprivation by directing welfare payments to the priority needs of recipients (and their partners, children and any other dependants)’ – useful (47.6 per cent)
- ‘Help welfare payment recipients to budget so that they can meet their priority needs’ – useful (50.5 per cent)
- ‘Reduce the use or consumption of alcohol, gambling, tobacco and pornography’ – not sure (42.9 per cent)
- Reduce the likelihood that welfare payment recipients will be subject to harassment and abuse in relation to their welfare payments – useful (38.1 per cent)
- ‘Encourage socially responsible behaviour, particularly in relation to the care and education of children’ – useful (41.9 per cent)
- ‘Help income support payment recipients manage their money to improve housing stability’ – useful (49.5 per cent)

**Table 5.9: Proportion of staff ratings of how useful PBIM is as a tool in assisting vulnerable people achieve outcomes (per cent of outcome total)**

<b>Outcome</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
Reduce immediate hardship and deprivation by directing income support payments to the priority needs of recipients (and their partners, children and any other dependants)	0.0	1.9	14.3	47.6	36.2
Help income support payment recipients to budget so that they can meet their priority needs	0.0	3.8	10.5	50.5	35.2
Reduce the use or consumption of alcohol, gambling, tobacco and pornography	4.8	11.4	42.9	26.7	14.3
Reduce the likelihood that income support payment recipients will be subject to harassment and abuse in relation to their income support payments	1.9	11.4	32.4	38.1	16.2
Encourage socially responsible behaviour, particularly in relation to the care and education of children	1.0	10.5	32.4	41.9	14.3
Help income support payment recipients manage their money to improve housing stability	0.0	7.6	6.7	49.5	36.2

Where 1 = not at all useful, 2= useful to a limited extent, 3 = not sure, 4 = useful, 5 = very useful. n = 105

Social workers were asked the extent to which they agreed with the statement ‘since the introduction of PBIM, have any customers indicated to you that they are less willing to disclose their problems for fear of being placed on income management’. Table 5.10 provides a summary of the results. The greatest response was ‘disagree’, with 50.0 per cent of respondents selecting this option, while an additional 6.3% ‘strongly disagreed’. In contrast, 18.8 per cent agreed, while another 18.8 per cent neither agreed nor disagreed.

**Table 5.10: Since the introduction of PBIM, have any customers indicated to you that they are less willing to disclose their problems for fear of being placed on income management?**

Answer	Per cent of total responses
Strongly agree	0.0
Agree	18.8
Neither agree nor disagree	18.8
Disagree	50.0
Strongly disagree	6.3
Not sure	6.3

Source: n=16

## 5.2 Online survey of Financial Management Program Service (FMPS) staff

### 5.2.1 Key summary statistics

The FMPS survey was initially open from 28 October to 11 November 2014. Table 5.11 displays the breakdown of responses across the different FMPS roles. Note that to preserve confidentiality a break-down of responses by site is not provided due to the small number of participants in each site.

**Table 5.11: FMPS survey responses by staff role<sup>(a)</sup>**

Current role	Number of participants
Financial Counsellor	<5
Money Management Worker	11
Manager of an FMPS	<5
Role not specified	<5
<b>Total</b>	<b>19</b>

(a) Where the number of participants is <5, the number has been suppressed to preserve confidentiality

### 5.2.2 Description of data collected

All FMPS staff who completed the survey reported their organisation had worked with customers who had been on PBIM. Money Management Workers and Financial Counsellors were asked to estimate how many customers they had worked with who had been on PBIM in the past year. Staff who reported being a manager of an FMPS service provider were asked to estimate how many PBIM customers their service as a whole had worked with over the past

year. Survey results show just under one quarter (23.5 per cent) of all staff reported they had worked with 1 to 10 customers in the past year, with a further 11.8 per cent reporting they had worked with 21-30 and 51-60 respectively.

**Table 5.12: Estimate of number of customers worked with on PBIM in the past year ( per cent)**

1-10	11-20	21-30	31-40	41-50	51-60	61-70	71-80	81-90	91-100
23.5	5.9	11.8	0.0	5.9	11.8	0.0	5.9	5.9	5.9

n=16

### 5.2.2.2 Staff perceptions of customers on PBIM

Money Management Workers were asked to select from a list of provided options what had been the three most common knowledge or skill gaps for customers on PBIM that had been referred to them. The four most often selected options by the 11 money management workers (provided in order of most often selected) were<sup>19</sup>:

- managing money from pay day to pay day to ensure essential living expenses are covered, e.g. food, rent, clothing, education, regular bills (100 per cent of people who responded selected this option)
- understanding debt and how to manage it (54.5 per cent)
- understanding how credit and loans work (54.5 per cent)
- planning and setting goals for items such as white goods, furniture, cars, boats and leisure goods (45.5 per cent).

Financial Counsellors were asked to select from a list of provided options what had been the three most common types of financial needs they had responded to, for customers on PBIM who had been referred to them. Of the three people who responded, the two most often selected options were<sup>10</sup>:

- bankruptcy (66.7 per cent)
- credit card loan debt (66.7 per cent)

In addition, unpaid fines, gambling debt, personal loan debt, utility bills and other (financial literacy) were each selected once or 33.3 per cent.

Financial Counsellors were also asked to select from a list of provided options what had been the three most common types of support they had provided to customers on PBIM who had been referred to them. Of the three people who responded, the two most often selected options were<sup>10</sup>:

- negotiating repayment arrangements with creditors (100 per cent)
- explaining their financial options and their consequences, including debt recovery (100 per cent).

In addition, the following options each received one selection, equivalent to 33.3 per cent respectively:

- assisting them to organise their finances and do a budget

<sup>19</sup> Please note, as staff were able to select up to three options this will sum to more than 100 per cent. The percentages provided represent the proportion of staff who selected this option as one of their three options.

- identifying strategies for improving their financial situation
- helping them apply for a hardship variation.

All FMPS staff were asked whether the customers they had worked with understood what PBIM involved. Most staff (63.2 per cent) reported that majority of their customers understood, with 21.1 per cent reporting that some customers had understood what PBIM involved and a further 15.8 per cent did not respond.

### 5.2.2.3 Positive impact of PBIM on customers

Financial Counsellors and Money Management Workers were asked whether they had seen positive or negative impacts for customers they had worked with on VIM, VULN and CPIM measures. Table 5.13 shows that all staff (100 per cent, n=19) reported they had seen positive impacts for VIM customers, while 71.5 per cent of staff had seen positive impacts for VULN/CPIM customers. In terms of negative impacts, 21.4 per cent of all staff reported they had seen negative impacts for VIM customers, while 41.7 per cent of staff reported they had seen negative impacts for VULN/CPIM customers.

**Table 5.13: Proportion of staff reporting positive and negative impacts for customers, by PBIM measure (per cent of measure total)**

Response	VIM – positive	VULN/CPIM <sup>(a)</sup> – positive	VIM - negative	VULN/CPIM <sup>(a)</sup> - negative
<b>n =</b>	<b>14</b>	<b>14</b>	<b>14</b>	<b>12</b>
Yes	100	71.4	21.4	41.7
Not sure	-	7.1	7.1	16.7
No	-	7.1	71.4	41.7
Not applicable	-	14.3	-	-
Total	100	100	100	100

(a) This information was not provided for VULN and CPIM individually

Staff who responded that they had seen positive or negative impacts for customers on PBIM were asked to indicate what types of impacts they had seen. In relation to positive impacts for customers on VIM, three key themes were identified in staff comments<sup>20</sup>:

- Reduced stress resulting from managing finances (seven comments)
- Enhanced financial stability and control of finances, including managing regular repayments and expenses (five comments).
- In particular, two comments noted this was particularly beneficial for sustaining housing tenancy. Comments noted that managing regular expenses allowed customers to purchase essential items, including upgrading appliances.
- Ability to establish savings, often for the first time (four comments)
- Financial literacy including budgeting skills (three comments).

In relation to positive impacts for customers on VULN and CPIM, similar themes to those mentioned above were evident in the seven responses provided by staff:

<sup>20</sup> A total of 14 comments were provided, of which some covered more than one theme

- Reduced stress (one comment)
- Enhanced financial stability and control of finances, including managing regular repayments and expenses (five comments)
- Financial literacy including budgeting skills (two comments).

As illustrated above, there was a greater proportion of total comments related to control of finances for VULN and CPIM customers compared to VIM, and no comments in relation to establishing savings. This may be a reflection of fewer total responses (7 compared to 14 responses).

#### **5.2.2.4 Negative impact of PBIM on customers**

In relation to negative impacts for customers on VIM, three comments were provided by staff<sup>21</sup> of which the key theme was inability to shop where customers wanted to (two comments), including going to cheaper places and taking children to venues during holidays.

One comment also pertained to process aspects, including inaccurate processing of bills and lack of accessibility to personal accounts and ability to speak to someone quickly about it.

In relation to negative impacts for customers on VULN and CPIM, staff mainly commented on:

- customer's inability to shop where they want (two comments), including cheaper places for groceries
- insufficient income to cover basic needs, including paying bills (two comments)
- negative self-image (one comment)
- insufficient information provided to customers on income management, leading to confusion (one comment)
- Rigidity of income management – finding employment can disrupt the funds allocated and regular changes to their housing situation or employment may result in fluctuating expenses (for instance new clothing or travel changes) (one comment).

While not an impact, two comments noted customer discontent with being forced onto income management.

Financial Counsellors and Money Management Workers were asked whether there had been any particular issues that customers on PBIM present with that were different to other customers. Half the staff (50 per cent, n=14) responded that there were not any particular issues that PBIM customers had presented with that were different to other customers. Staff who responded that 'yes' (35.7 per cent) PBIM customers did present with different issues compared to other customers, indicated that PBIM customers presented with the following issues:

‘Those who are referred on VIM often have low levels of financial literacy, and come from backgrounds of low understanding of money matters - in discussion with these clients it is to empower them to take an active role in their budget, and to warn them of the pitfalls of certain debt options. For some of VIM there is an ongoing concern with goods rentals, and the costs of these items per fortnight

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<sup>21</sup> One comment is excluded as it related to negative impacts once customers ceased income management, noting most returned to it to regain control.

coupled with contacts that last years - this is an issue that has been seen for the last couple of years.’ (Financial Counsellor)

‘Its only downfall is the inflexibility to interface with clients own funds. If they can’t Centrepay rent as an example, they may have to pay half from their own funds and half from IM... My other concern is that in a small percentage of clients IM assists them just enough to 'fly under the radar' where perhaps they should be assisted by State Trustees...The product needs to be more flexible in its delivery to cater to different demographics. (Money Management worker)

‘Some voluntary income clients have been elderly who have lost a partner or have become overwhelmed by over spending. Many clients for both have a mental or intellectual disability.’ (Money Management worker)

‘On all recipients - not enough income.’ (Money Management worker)

### 5.2.2.5 Improvements in financial literacy and capability

All FMPS staff were asked to consider to what extent the financial counselling or MMCs provided to PBIM customers had improved their financial literacy and capability, and financial situation. Most staff (47.1 per cent) reported that financial counselling and MMCs had improved customers’ financial literacy and capability to a great deal (62.5 per cent where n=16). In relation to customers’ financial situation, staff most often (50.0 per cent) reported that financial counselling or money management had improved customers’ financial situation a great deal and 43.8 per cent to some degree (where n=16).

**Table 5.14: Extent that financial counselling or MMCs provided to PBIM customers improved their financial outcomes, by outcome (per cent of outcome total)**

Response	A great deal	To some degree	Not sure/can’t say
Financial literacy and capability	62.5	31.3	6.3
Financial situation	50.0	43.8	6.3

n=16

### 5.2.2.6 Referral process to financial counselling and money management courses

All FMPS staff were asked to consider whether any changes could be made to the referral process for clients on income management to improve the take up of financial counselling or money management services. An equal proportion of staff reported that they did and did not think changes could be made (31.3 per cent respectively, n=16). Staff who responded that ‘yes’ they did think changes could be made were also asked to describe what changes could be made to improve take-up. Improvement of the referral processes through a more direct referral system and better information on the customer and their needs were the main changes identified in the comments:

‘Ability for money management workers to speak to the client when they come at Centrelink. Perhaps the worker can be at Centrelink on certain days to welcome the client and explain properly.’

'More direct referral system. Centrelink staff phoning or directing the client for financial counselling.'

'In some cases, clients should discuss their situation with an MM CW [money management case worker] first to ensure the transition into IM is less disruptive and more sustainable.'

'Better information sharing and training in which service to refer to.'

'Having dates of birth on the referral portal - or at least years of birth so we can immediately identify the target audience.'

#### **5.2.2.7 Staff and service provide perception of PBIM**

All FMPS staff were asked whether they felt their service has been adequately informed about the processes and requirements of PBIM to enable their staff to provide quality service to their PBIM customers. Most staff members (75.0 per cent, n=12) felt their service had been adequately informed about the processes and requirements of income management. A further 18.8 per cent reported they had not been adequately informed and 6.3 per cent were not sure.

All FMPS staff were asked whether they had any other comments to make about PBIM referrals. The following quotations are a subset of the responses provided by FMPS staff<sup>22</sup>:

'Better communication on what our service actually does.'

'Needs to be a lot more shared information between agencies to better support clients. Centrelink needs to communicate more with money management workers and financial counsellors when it comes to debts and negotiation.'

'More communication and keeping up to date with the changes of income management to the actual staff.'

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<sup>22</sup> It should be noted that information sharing by DHS is limited by privacy and secrecy laws.

# 6 Stakeholder interviews and focus groups

As noted in Chapter 2 site visits were conducted at each of the PBIM trial sites between October and November, 2014. The site visits were designed to explore professional perspectives on the impact of PBIM on customers, scope for improvement in the program administration and potential barriers that may exist to referring customers to PBIM. Data collection included:

- one focus group with DHS staff at each site
- a focus group with child protection staff at each site (either on site if it could be scheduled on the same day as the DHS focus group, otherwise conducted via teleconference)
- telephone interviews with housing authority representatives in NSW and SA.

Findings are presented by each data collection source, and according to the questions asked at each focus group or interview.

## 6.1 Focus groups with DHS staff

Sites were asked to invite both staff who had, and who had not referred customers to PBIM in the focus groups, so that barriers to referral could be more fully explored. That said, most staff who attended reflected that they had at least some experience with PBIM customers. A broad mix of staff attended, including:

- CSOs
- Social workers
- ZIMCOs
- IMCOs
- Community Engagement Officers.

Questions were approved by DSS and DHS, and were also sent to site ZIMCOs ahead of time to obtain any input on site-specific issues which were worthy of exploration. Findings from all site focus groups are presented thematically in the analysis below.

### 6.1.1 Usefulness of income management as a tool to assist customers

#### 6.1.1.1 Improved support for customers

Reports from DHS staff were overwhelmingly positive when describing the usefulness of income management as a tool for helping customers with budgets and prioritising income support funds. Numerous examples were provided by the staff of customers who, since going onto income management, had greatly improved their financial stability. It was reported that the budgeting required under income management had helped customers to reduce debts and increase their savings. Staff indicated that this financial stability had greatly increased the confidence of customers and lead to a range of improvements in other outcomes such as

housing security. More detail on the impact of income management on customer outcomes is provided in Section 6.1.3.

For DHS staff, income management was reported to be a useful tool because the conversations and assessments conducted with income managed customers enabled staff to build a rapport that they were not able to establish with other customers. These conversations and enhanced rapport allowed service officers and social workers to examine customers' financial history and identify other concerns as customers were more willing to disclose information to staff they could trust. DHS staff reported that due to these conversations they were able to refer customers to additional support services as required, and then focus on improving their customer's financial stability. Increased rapport was also reported to have improved customer's engagement with DHS and associated support services.

It was highlighted by the DHS staff in all trial sites that income management was most useful for customers when used in conjunction with other support services. PBIM was seen to play a part in stabilising a customer's situation which then paved the way for DHS staff or other support services to focus on further areas of concern for the customer such as mental health, drug abuse or alcohol abuse. Moreover, DHS staff reported that they believed placing customers on income management was also helpful for other support services as these services could focus on supporting customers in areas that were not related to financial concerns.

#### **6.1.1.2 Improved relationship with other services and the community**

Another common theme noted by the DHS staff was that income management had led to an improvement in their relationship with other service providers in their respective trials sites. As part of their role, a number of IMCOs had undertaken outreach work to educate community services about income management and this had enabled them to establish relationships with services they had not previously worked with. DHS staff reported that they were now receiving customer referrals to income management from some of these services. Other place-based initiatives implemented as part of the BAFW package had also provided a source of referral for income management.

The relationship between DHS staff and state housing authorities was reported to have been enhanced through income management, as the tool helped to ensure customers' rent was paid consistently on time. Correspondingly, staff in all sites commented that the number of referrals from state housing authorities had increased since the roll out of PBIM. DHS staff in some sites also stated that they now had regular conversations with their affiliated state housing authorities which had helped customers maintain their public housing.

The outreach work, conducted as part of the income management team role, had also provided an opportunity for DHS staff to demystify some of the misleading information promoted through media and community campaigns when income management was first introduced. When asked whether the negative campaigns were an ongoing concern, staff responded that any remaining campaigns were significantly weakened as more and more people were educated about how the income management actually worked. Staff believed that general community perceptions of income management had improved as a result of education.

In line with improved community perceptions, staff also reported that customers' reluctance to go onto income management had diminished over time. While most customers were still initially cautious when the possibility of income management was raised there was greater awareness of potential benefits of the measure and therefore more willingness to try income management. Particularly for VIM, service officers recounted interviews with customers who had the measure recommended by their friends and family.

### **6.1.1.3 Concerns raised by staff**

While discussions about the impacts of income management were generally positive, staff in each of the sites raised a number of concerns. The most commonly discussed issue was the limited uptake by customers of Financial Counselling and MMC. Staff reported this was a concern because the counselling and management courses were useful and they had observed positive outcomes for customers who had attended.

It was noted that most customers were accepting of their referral to the services but only a limited number of customers actually attended the course or counselling sessions. This was in part due to the delay between DHS referral and actual availability for customers to attend a session which, in some sites, could be several weeks. Customers lost interest over time, had other commitments, or forgot to attend their allocated session. Attendance was not compulsory and there was no penalty so some customers simply changed their minds and did not attend.

Another commonly discussed topic was that of the eligibility criteria for income management and whether this targeted the most appropriate customers. Staff worried that the automatic triggers for the VULN-AT customers were not appropriately selecting customers and many examples were provided of customers who did not require assistance, and were disempowered by the measure. Some customers were demonstrating responsible financial management before being placed on the measure and when placed on income management these customers felt as though they were being punished.

It was agreed by staff in all sites that the eligibility for VIM was appropriate but there were concerns that some customers were accessing the measure simply to receive the VIP and did not actually require the support. The assessment for VULN-SWA appeared to be suitably selecting customers, but it was noted that there were customers in the community who were in need of income management, but the community did not bring them to the attention of social workers, so were not placed on the measure.

There was also apprehension among the DHS staff about how customers would cope when the PBIM trial ended in their sites. There was concern that income management had led to dependency on DHS to pay customers' bills and that there was established process in place for transitioning customers off income management. Some staff believed there would be much customer anxiety if income management ended. Other staff noted that customers could be switched to Centrepay, but the merchant fee that Centrepay attracts was raised as a potential barrier to this solution.

In all sites, DHS staff identified that some of their customers had been unable to use the BasicsCard in their preferred retailers and some customers found this challenging, particularly for the purchase of groceries where the merchants with BasicsCard facilities reportedly had higher prices than other stores the customers previously shopped at.

Some DHS staff were concerned that customers were still able to purchase cigarettes and alcohol using their BasicsCard. The staff provided examples of merchants in their trial sites that allowed this, but suggested that this non-compliance may simply be due to casual sales assistants being unaware of the BasicsCard system rather than merchants deliberately undermining the system. DHS staff also commented that they had heard there were customers who provided their BasicsCard to friends in return for money that they could then use to purchase non-priority items.

Finally, DHS staff in a number of sites reported that some customers had difficulty paying their rent using allocated income managed funds, as their landlords or real estate agents refused to accept payments from DHS. Further, customers who were staying in unconventional accommodation, such as couch surfing, found income management difficult because their funds allocated to paying rent were not consistent over time.

## **6.1.2 Suggested improvements**

### **6.1.2.1 Flexible percentage of managed income support**

When asked if they had any suggestions for how income management could be improved, DHS staff in all sites strongly recommended that the fixed percentage of customers' managed funds should instead be flexible, as this would help staff support their customers. It was mentioned by staff that variable percentages could be used as a potential tool for 'weaning' customers off income management by gradually decreasing the proportion of allocated funds over time. Additionally staff suggested that variable percentages could be used as a point for negotiation with customers who were interested in income management but did not want 50 or 70 per cent of their income support managed.

Staff provided examples of customers whose accommodation was threatened due to confusion with rental payments because the allocated funds were not enough to cover rent. In this situation, customers had to use some of their non-income managed funds to pay a proportion of their rent, in addition to the allocated fund that were automatically paid by DHS. Customers often forgot to pay the small proportion of rent themselves and staff suggested this problem could be alleviated if they were able to vary the percentage of a customer's allocated funds to better meet customers' priority needs.

A number of customers had also reportedly asked to have a greater proportion of their income support funds managed as they believed this would help them to further control their budgeting. Staff provided an example of a problem gambler who was using income management to curb spending on gambling. Another customer had asked to increase the proportion of their allocated funds to limit the income support funds available when family and friends pestered them for money.

### **6.1.2.2 Incentive payments**

Another commonly raised suggestion was that the VIP should be provided to all customers on income management, not just those on VIM. Staff across all sites believed that customers on the VULN-SWA and CPIM measures stood to benefit the most from the incentive payment. Staff considered that these cohorts were more financially vulnerable when compared with VIM customers and therefore needed the extra funds more urgently. It was also noted that the most vulnerable customers struggled to save enough of their income support to reach the

target required to receive the MSP, and examples of customers actually receiving the MSP were limited.

Some staff proposed swapping the VIP and MSP, so that social workers could have more positive conversations with customers about VULN and motivate customers to change their situation. Staff suggested removing the VIP for voluntary customers to reduce the incentive for those who may not require assistance but were signing up to VIM simply to receive the incentive.

### **6.1.2.3 Financial counselling and money management courses**

Incentive payments were also suggested as useful for increasing customer attendance in financial counselling and money management courses. It was proposed by staff that incentive be tied to completion of a course or attendance in a particular number of sessions. Other suggestions to improve attendance included making the session compulsory for customers and reducing the time between referral and service contact with customers. In some sites FMPS staff were co-located in the DHS office so the DHS staff could introduce the customer and the connection was made immediately. Staff reported that the ability to make a warm handover appeared to increase the chance of attendance.

The format and timing of the money management course was also reported to have been prohibitive for some customers, and it was recommended by DHS staff in one site that the courses be held out of business hours, or in one block instead of being spread out over a number of weeks.

### **6.1.2.4 Education and information sharing**

It was suggested in a number of sites by the DHS staff that both DHS staff and other support agency staff could be provided with additional training to build their skills in assessing and discussing customer's financial histories.<sup>23</sup> Staff at one site specifically mentioned that training could be extended to employment agency staff. It was reasoned that financial mismanagement is a contributing factor to customers' unemployment, but job service agencies do not discuss customer's financial backgrounds when assessing customers for potential jobs. Further, most job agency staff were not aware that income management was available for assistance, so training for these agencies could help to improve the reach of income management and potentially improve customer employability.

Further to this, staff in another site mentioned the need for systematic promotion of income management to ensure that correct and consistent facts about income management were distributed to the community and potential referring agencies. This was noted as particularly important during the implementation phase if income management were to be applied in other locations.

### **6.1.2.5 Other suggestions**

The following matters were also discussed by DHS staff in one or more of sites:

- In a number of sites it was reported by staff that customers were able to cancel or alter the proportion of their income support payments allocated to rent or other payment,

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<sup>23</sup> DHS income management staff do not assess customer financial histories, this is the responsibility of FMPS staff.

without the approval of their DHS service officer or social worker. Unexpected changes in allocations made planning difficult for staff and there were reports of customers facing evictions because they had changed allocations without informing their social worker or other DHS staff.

- It was also suggested in some sites that the requirement for 100 per cent of advance or urgent payments to be managed should be removed. DHS staff commented that the quarantining of the full urgent payment made it difficult for customers to manage financially if unexpected bills arrived, and this was one reason for customers asking to be taken off the measure.
- When asked whether income management is targeting customers who could most benefit from it, staff suggested that it would be beneficial if the VULN measure could be broadened to include:
  - young parents, particularly those participating in the Helping Young Parents initiative
  - younger customers, such as those in state care who are receiving income support.
- Further, it was suggested that at times the VULN-AT measure captured individuals who did not truly stand to benefit from income management owing to their demonstrated capacity to sufficiently manage their own finances. Some VULN-AT were also noted to have informal living arrangements which were difficult to finance through income managed funds.
- For one site, staff did not consider their LGA to be the correct area for income management because the site had the lowest rental areas of any LGA within the state, and DHS customers in neighbouring LGAs were more in need of income management. Additionally, staff in this site commented that their customers had difficulty using the BasicsCard because most shops in their LGA were cash only. These staff advised that if income management were to be implemented in other sites, more consideration should be given to the customer housing stability in that area and the local economy.
- Finally, staff in one site suggested that income management should cover the area that the DHS office serves rather than the boundaries of the LGA. Examples were provided of customers who visited the DHS offices where income management was being offered but who were not eligible for income management because of their home address.

### 6.1.3 Customer outcomes

#### 6.1.3.1 Financial management

Overall, DHS staff reported that income management had made a positive impact on their customers' financial situation, particularly as it had helped customers reduce debts, pay bills consistently on time, and maintain a fortnightly budget. There were numerous examples from across the five trial sites of customers paying off large debts and saving enough of their income support funds to make purchases that were previously unattainable, for example, a family holiday.

Staff cautioned that, for some customers however, these outcomes would be unsustainable if income management were to end. This was because the improvement in some customers' financial situations was due to the automated allocations and consequent or forced budgeting

under income management, rather than changed behaviours or new skills learned through income management.

#### **6.1.3.2 Housing stability**

Across the sites, all staff commented that a key outcome for customers was the improvement in their housing stability. Through income management allocations, DHS staff were able to help customers organise to pay their private or public housing rent on time, and to establish a payment plan to pay back arrears where these existed. Staff also noted that most private and public landlords were more willing to take on income management customers, even those with a history of rental debt, because they were guaranteed to receive consistent payments if the customer was on income management.

In one site, it was reported that income management had helped customers obtain rental accommodation because, through income management, customers were able to consistently pay rent and then provide evidence of this to real estate agents.

As noted in section 6.1.2.1, staff also provided examples of customers whose accommodation was threatened due to confusion with rental payments because the allocated funds were not enough to cover rent.

#### **6.1.3.3 Customer wellbeing**

DHS staff noted that before income management, some customers simply ignored their bills and debts because they felt threatened or were too anxious to deal with the problem. Examples were provided of customers who had ignored their gas or electricity bills up to the point of their utilities being turned off. Through income management, DHS staff were able to help customers work through their outstanding debts and organise repayments using their allocated funds. Staff reported that this had removed at least one stressor from their customer's lives and had subsequently reduced their anxiety.

Customers' confidence was also noted to have improved through income management, with staff in all sites providing examples of customers who proudly brought in their bills to show staff that they were no longer in debt.

There were also reports of customers who had reduced their smoking and alcohol intake due to the reduction in their discretionary funds.

#### **6.1.3.4 Wellbeing of children**

The wellbeing of customer's children was also reportedly impacted by income management, primarily through customers' improved housing stability. Stable accommodation for customers and their children meant there were fewer occurrences of families sleeping rough and children being placed in out of home or kinship care. It was also noted by the staff that stable housing had a positive influence on children's attendance at school and educational attainment.

Additionally, DHS staff reported that through income management customers were now able to increase their savings, and track spending with the BasicsCard to make sure they had money to pay for child's school items and food.

## 6.1.4 Customer characteristics

### 6.1.4.1 Customer reactions when income management first discussed

In each of the sites, DHS staff stated that a key difference between customers on each of the measures was their initial reaction when the prospect of being placed on income management was raised. Understandably, the customers being placed on to the measures compulsorily were more apprehensive than customers who were being asked to go onto VIM.

There were reports of VULN-AT customers who, when first told they were going onto income management, were angry and aggressive. Typically, VULN-AT customers discovered they would be going onto the measure through a letter that was mailed to them once they started receiving a trigger rate of payment. DHS staff reported that finding out about income management through a letter was distressing for some of the customers. To mitigate customer hostility, staff in some DHS offices reported checking records for customers who would be placed onto VULN-AT and then calling these customers before they received a letter. Staff reported that once they had the chance to speak with a customer and explain what income management involved, the customers were more accepting of their placement on VULN-AT.

Similarly, DHS staff commented that VULN-SWA customers were distressed when income management was raised with them. Some customers were reportedly upset that they had been targeted for the measure because they knew other people in their communities who, they believed, were in more need of income management. It was also mentioned that many VULN-SWA customers do not believe they actually require help, so staff had to explain to customers why they needed the support of income management. Once staff had explained why customers were being placed on the measure and how the measure worked, customers were more comfortable with their placement on the measure.

### 6.1.4.2 Outcomes for different income management measures

In terms of customer outcomes observed for each of the different measures, staff reported that VIM customers typically exhibited more positive outcomes than those on the compulsory measures. It was thought that this was due to customers on VIM being more motivated and willing to improve their lives, as these customers had voluntarily engaged with support, rather than being placed on income management. Adding to this, some staff suggested that a customer's internal motivation and engagement with support were the key contributing factors to positive outcomes, regardless of whether a customer was on income management voluntarily.

It was noted however that there were greater unintended consequences for customers on the VULN-AT measure when compared with other customers. It was reasoned that this related to the way in which VULN-AT were enrolled onto the program, namely, through automatic triggers. Staff raised concerns that this approach had led to negative outcomes for some VULN-AT customers because they had been managing their income responsibly before the measure, so were disempowered when DHS took control over some of their income support payment.

### 6.1.4.3 Outcomes for different population groups

Discussion in the focus groups about specific outcomes for the different populations on income management was limited, however staff did provide the following observations:

- For customers who identified as Aboriginal and Torres Strait Islander there was some initial reluctance to be placed on income management due to the negative portrayal of income management as an initiative that targeted Indigenous Australians. As time went on DHS staff were able to dispel the stories reported in the media and promote income management in the community. It was reported at the time of the focus group Indigenous leaders and Indigenous Health Workers were receptive to income management, and health workers were willing to refer Indigenous customers to DHS for income management. Examples were also provided of Indigenous customers who had their incomes managed by state trustees but were seeking to be income managed under PBIM instead due to positive reports from family and friends.
- Staff in one site commented that income management had posed difficulties for some CALD populations who did not completely understand what the measure involved due to language barriers.
- Income management was reported as particularly helpful for elderly customers who needed assistance with paying their bills on time. Outcomes for younger people in some sites were less positive as staff reported that young people were not as likely to engage with DHS which in turn compromised their ability to be supported by staff while on income management.

## 6.2 Interviews with housing authorities

Interviews were conducted with NSW and SA housing authorities and relevant policy personnel to determine the referral pathway for the VULN measure in each site and discuss professional observations of consumer outcomes. The interviews took place in November 2014.

### 6.2.1 Referral pathway

The referral pathway for housing remained largely unchanged since the last round of interviews were conducted with housing authorities in 2012. In Playford, housing officers conduct an initial assessment of housing customers and their properties to determine whether they could be referred to DHS for the VULN measure. When deciding whether a customer would be appropriate for referral, the housing officer will consider:

- the customer's history of arrears or inconsistent rent payments
- history of failure to pay rent in the private rental market
- the condition of the customer's property
- whether the customer has dependants
- risk of eviction.

In Playford, referral to income management is consent based, so housing officers provide customers with information about VULN measure and ask whether they would consider going on the measure. If clients consent to going onto income management, the housing officer then completes an online form that is emailed to the DHS IMCO to alert them to a referral. Within 24 to 48 hours, DHS will respond to the email noting whether a customer is eligible for referral using the information captured in the online form. If the customer is eligible, a DHS social worker will try to contact the customer to conduct an assessment.

In Bankstown, where referral to income management is not consent based, housing staff run a report for tenants who are in arrears on their rent and who meet criteria for a referral for the VULN measure. Once a client is identified as appropriate for referral, a form is then completed by the housing staff and emailed to DHS. The form includes customer details to assist with social worker assessment, how much rent is owed, and whether an eviction notice or a warrant to remove the customer has been raised. Housing staff report that a response from DHS is usually received within an hour but there can be a delay in DHS actually contacting the customer. If the customer is eligible, DHS will try to contact the customer to conduct an assessment. Bankstown staff discuss the process on income management with the customers and provide them with an information sheet.

Housing staff were asked how customers responded when the possibility of referral to income management is raised. Playford housing staff suggested that customers were generally hesitant and most would not consent to being placed on the measure at all. For those that do consent, it was often the case that these customers would not go to their DHS appointment so would never be assessed for income management.<sup>24</sup> Playford staff reported they were concerned that the delay between customers' providing consent, and their initial appointment with DHS for assessment was too long.<sup>25</sup> It was noted that by the time an appointment became available, most customers had changed their minds and withdrew consent.

Bankstown housing staff commented that customers were often defensive when told they were being referred to income management because they didn't want to lose control of their income support funds. However, once the Bankstown staff had time to discuss income management with the customers and how it would impact their lives, customers were happier with the decision.

## 6.2.2 Usefulness of income management as a tool to assist customers

Housing staff from both Playford and Bankstown were positive about the impact that income management had on their customer's ability to maintain stable housing.

Playford staff reported that a high proportion of customers who were placed on income management were able to maintain their bill and rental payments and were therefore at less risk of eviction. It was also noted that if Playford staff knew a customer was on income management, they could follow up DHS staff to determine why someone's rent was not paid. In some cases staff found that rental discrepancies were simply due to rental increases that DHS were not notified about so were not registered in time on the DHS's system.

Bankstown staff reported that their catchment area had the lowest rates of public housing rental arrears in NSW and suggested that income management would have a greater positive impact if it were implemented in other sites throughout the state.

Income management had been of great assistance to the housing staff particularly as part of their role is to ensure that rental arrears are kept low, and to take action if rent is not being

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<sup>24</sup> It should be noted that where a customer is referred by SA Housing and does not attend an assessment interview within 14 days, the social worker will undertake an assessment based on the information available from SA Housing and the customer's record.

<sup>25</sup> DHS notes that they have no recorded instances of a customer having been referred by SA Housing who has subsequently withdrawn consent prior to an assessment.

paid. It was noted by the Bankstown staff that public housing is becoming more business oriented than other public services as housing service delivery is contingent on rental payments and there increasing demand from customers wanting to access public housing. Income management provided a useful tool for the housing officers as once a client was placed on the VULN measure their rental payments were assured for up to 12 months.

### 6.2.3 Suggested improvements

The Bankstown staff noted that they had previously raised with DHS their concerns about customers who had been taken off the VULN measure against the recommendation of housing staff and had gone back into rental arrears. Bankstown housing staff believed that their knowledge of a client's situation should be considered when DHS social workers are conducting the final assessment of clients once the income management period ends.<sup>26</sup>

Bankstown staff noted that DHS were very quick to acknowledge referrals from housing and were proactive in following up clients for an initial assessment. However, housing staff felt that the communication from DHS regarding whether clients were placed on income management could be improved. Currently housing staff in Bankstown report they do not know whether a customer is on income management as DHS are unable to share customer details with housing staff. The housing staff suggested that having knowledge about whether customers were on income management would help them investigate reasons for why rental payments may be missing and tenancies may be less often terminated if DHS could provide insight into the customer's situation.<sup>27</sup>

Similarly, Playford housing staff suggested it would be beneficial for their work and for customer outcomes if legislation could be changed so that DHS and the state housing authority could all share information about customers, or implement a shared database. The housing staff believed this would improve their relationship with DHS and would be usual for collecting information for initiatives other than PBIM.

In Playford, referrals from state housing to DHS for income management had decreased over time. The housing staff reported that this was due in part to loss of knowledge about income management as staff left the authority and additional training had not been provided to new staff. It was suggested that more training and promotion of the measure could be provided to remind staff of the importance of income management and the referral process.<sup>28</sup>

### 6.2.4 Customer outcomes

Housing staff in both Playford and Bankstown reported that income management was a helpful tool for helping to keep customers in stable housing, and facilitated their saving of income support funds to purchase priority goods such as a food and clothing. Staff commented

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<sup>26</sup> DHS Social Workers do consider the knowledge and views of housing staff in conducting assessments, however, due to the holistic nature of the social work assessment, there is sometimes information available to the social worker that housing staff are not aware of.

<sup>27</sup> It should be noted at the time of the focus groups with housing staff, DHS were not legally allowed to share customer information, such as details of income management arrangements, with housing authorities. Alternate arrangements to allow limited information exchange have now been implemented.

<sup>28</sup> It should be noted that DHS provides income management training to state housing authority staff at the request of the state housing authority.

that through improvements in housing stability, income management had enhanced customers' wellbeing and allowed them to build on their independent living skills.

In terms of outcomes for children, the Bankstown staff only knew of one customer who required child protection intervention, but noted that maintaining stable housing was crucial to a child's wellbeing. If a customer with dependants is evicted, Bankstown housing staff are required to refer that customer to the NSW Department of Human Service.

When asked if there were particular customers who benefited from being on income management, housing staff identified the following populations:

- customers with a history of housing instability, ranging from those with failed tenancies to customers who have slept rough
- customers who have limited independent living skills, such as people with intellectual disability or mental health issues
- customers who are often coerced by family and friends to provide money
- victims of domestic or other violence
- customers with drug and alcohol issues
- single parents
- the elderly.

The housing staff suggested that some of their customers fell into two or more of these categories, and that these customers often had histories of rental problems. For some of these people, public housing was their last opportunity to stay in accommodation and income management was assisting them to do so through compulsory budgeting and allocation of income support to their rent.

#### **6.2.4.1 Unintended or negative outcomes**

The Bankstown housing staff reported that no customers had reported back to them any negative impacts. As for unintended outcomes, the staff could not report any, but did note that they had received some abusive phone calls from customers who did not want to remain on the VULN measure.

Playford housing staff noted that changes in customers' rent were sometimes not picked up in time by DHS to make required changes to customers' fund allocated to rent. This often occurred because the customer had not notified DHS about an impending rent increase. The customer would then be flagged as being in rental arrears and were at risk of being evicted. The Playford staff suggested that to overcome this they were looking to include in the customers initial consent form an option for the customers to allow housing staff to contact DHS to ask that rent allocations be changed on behalf of the customer.

Furthermore, Playford staff noted that DHS continued to deduct rental payments until the customer notified DHS of vacating a property. State housing would then have to organise to have these payments refunded to the customer when the discrepancy was uncovered.

## 6.3 Focus groups with child protection staff

The focus groups were attended by child protection workers in a variety of roles: intake and assessment, case management and Team Leaders/Area Managers. The interviews took place between October and November, 2014.

At the time of the focus groups, the extent to which each of the child protection agencies had utilised the CPIM measure varied across the five trial sites. Experience with the measure ranged from sites where staff had never made referrals to CPIM, through to sites where CPIM was actively promoted among staff with the aim of adding to the number of referrals already made. All trial sites, except NSW, have adopted a consent-based referral model, where customer permission is required before the child protection workers can make a referral to DHS.

### 6.3.1 Referral pathway

The referral pathways differed across the sites, primarily due the different consent based approach adopted in each state. At a general level, the referral pathways of all sites involved:

- identifying eligible customers through casework
- discussion within the child protection services team about the appropriateness of income management for their customers
- discussion with the client to obtain consent (where required as part of the state's approach to CPIM)
- seeking advice from DHS (which may occur at this point and/or before discussion with the client) and instructions for referral
- provision of customer information to DHS via referral form and/or through online platform.

In the sites where referral to CPIM is consent-based, it was reported that a customer can withdraw their consent at any time and can ask to be taken off the measure. Child protection workers are then required to submit another form to DHS to approve the customer's removal from the measure.

#### 6.3.1.1 Barriers to referral

As there had been limited referrals to CPIM across the sites, staff were asked whether there were any particular barriers that had restricted their referral to the measure. The most common response among the sites with a consent based model was that customers were unlikely to consent to being placed on the measure.

Staff in all sites except NSW reported the consent based nature of the tool meant that CPIM was not a practical option for use by child protection staff because there was no way they could ensure that customers even accessed the support. Staff noted that there were other services or initiatives they would refer their customer to before CPIM because they were able to ensure customers received the support they needed by placing a court order on the customers participation in those initiatives.

Instead of referring customers to CPIM, some staff directed their customers to VIM as an option for improving their financial wellbeing. In such instances, staff felt the tool appeared to be perceived as more 'helpful' as opposed to 'punitive'. As such, this, allowed staff to maintain rapport with their customers who were hostile when referral to CPIM was suggested.

A further barrier for use of CPIM as a tool was staff turnover and the subsequent loss of knowledge about the measure. It was noted by staff that during the implementation phase of PBIM valuable training was provided. However, subsequently some of the initially trained child protection staff had left their roles, taking knowledge and interest in use of the measure with them. Staff in one site reported that more than 50 per cent of their staff had left since income management was implemented.

Another barrier for child protection staff when referring customers to CPIM was the fact that staff were required to keep a customer's case file open until the client had ended their time on CPIM, even if child protection was no longer working with the client. In one site this was noted as an issue because the staff believed that DHS required them to keep customers' case files open for 12 months, but most child protection cases are not open this long.

Finally, staff in some sites reported that there was some difficulty with the referral process at their site because staff had struggled to locate the referral form in their internal system, the questions on the referral form were arduous to complete, and there was confusion surrounding who to contact at DHS to make the referral. It was noted in some sites that child protection staff had encouraged customers to apply for the VIM measure as this involved a more straightforward referral compared with CPIM.<sup>29</sup>

### **6.3.2 Usefulness of income management as a tool to assist customers**

Staff perception of usefulness of CPIM generally depended on whether they believed financial issues were central to their customers' wellbeing. Staff in most sites agreed that the cause of concern for their customers' wellbeing stemmed from financial mismanagement, for example failure to pay rent and subsequent housing instability, or income support funds not being used to purchase food for their children. These staff commented that once a customer's financial issues were under control there was more scope for case workers to work with the customers on other issues of concern. In these sites, staff believed that CPIM was a useful tool.

Other staff, however, believed that financial mismanagement was not a key concern for their customers, and instead suggested that drug abuse or family violence issues needed to be addressed before assistance with finances was required. These staff also reported that because child protection interventions were resource intensive, there was limited scope to consider a customer's finances and, instead, case workers turned their focus to ensuring that children were safe.

#### **6.3.2.1 Usefulness for different stages of intervention**

Staff also commented that income management could be helpful at different stages of intervention. Primarily, child protection staff reported consideration of CPIM use during the

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<sup>29</sup> It should be noted that to allow for informed discussions with customers by DHS staff, child protection staff must provide sufficient details. In each place-based income management site, DHS has a ZIMCO and an IMCO available for child protection staff to contact.

initial case planning stage with customers. If financial mismanagement was observed as a key concern, CPIM could be used as a tool to remove at least one issue from the customer's life and case workers work could focus on other issues. It was also suggested that income management could be a useful tool for the reunification of children with their carers, as case workers could allow families to be reunited if their primary carer demonstrated responsible financial management, or agreed to be placed on CPIM.

### **6.3.2.2 Referral to other state and federal services**

Staff suggested customers were often referred to other state and Commonwealth Government services because these services provided more holistic support for customers. For example, staff were more likely to refer customers to services providing relationship counselling or support for drug addiction before they were offered financial management assistance.

### **6.3.3 Suggested improvements**

Staff with the consent-based model in their states, noted that making CPIM compulsory for customers would be beneficial. It was suggested that referral to CPIM should be a statutory requirement as this would help staff to enforce income management for customers who required it.

Staff from a number of sites mentioned that it would be a more efficient process if the case workers could refer a customer directly to a nominated DHS staff member, rather than having to fill in a referral form for DHS and then complete the extra step of adding information to the online portal. Working directly with DHS staff was preferable to allow better case coordination through shared case management meetings and knowledge transfer between the child protection workers and DHS staff. Also it would allow child protection workers to have oversight of how income management was impacting their customers along with other case management methods.

To improve staff knowledge and use of the CPIM measure, it was suggested that periodic training or at least training at staff induction was provided, to overcome knowledge loss from staff turnover. One site noted their approach of a designated staff member to 'champion' CPIM had helped to improve understanding of the measure and the process for referral. The income management 'champion' also acted as a single contact point within the site for referral and liaison with DHS, and staff noted that this had made the referral process easier to navigate.

The option for variable percentages of managed income was also raised by child protection staff who suggested this could be used as a bargaining tool to encourage customers to go onto CPIM. Staff noted that the prospect of having 70 per cent of their income support payment managed was too stressful for their customers, and the ability to offer a lower percentage would help staff negotiate with their customers.

One site reported they had employed flexible percentages in their site and this had helped them encourage customers to take up CPIM.<sup>30</sup> DSS was not aware of this and notes that it is not aligned with the operating parameters of the program. That is, the percentage of income

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<sup>30</sup> It should be noted that the one site that utilised a flexible or variable percentage of income managed funds did so without the knowledge of DSS.

quarantined under CPIM is not intended to be set by the child protection agency site; rather, it is intended that all CPIM customers have 70 per cent of their income support payments income managed.

Other suggestions for improvement included:

- strengthen CPIM assessment in existing child protection worker processes
- add an attainable incentive payment for people going onto CPIM
- continually promote PBIM within the community to create positive perceptions and reduce the mistrust that had been generated through negative media campaigns
- designate one staff member from DHS to be the contact for income management in that site
- have a staff member from DHS visit the child protection office once a week to drive CPIM and field questions.

### 6.3.4 Customer outcomes

Staff observations of CPIM customers' outcomes were limited due to the small number of referrals made across the sites. While staff in some sites had no practical experience using the CPIM measure, there was agreement from all staff that CPIM could have a positive impact on the lives of customers and their dependants.

In sites where customers had been referred to CPIM, the most significant outcome for customers and their dependants was the improvement in their housing stability. Stable housing for families reduced the need for child protection intervention as children living in stable accommodation were more likely to be clothed, fed and attending school. Further to this, staff in one site commented that while income management may not change the spending behaviour of all customers, the fact that it helped to ensure there was a roof over children's heads meant that it was a useful measure.

Staff also commented that the measure had provided structure for their customers to help them meet bills and improve their confidence in financial management. It was reported that CPIM had reduced stress in customers' lives and for some had reduced the temptation to purchase alcohol and cigarettes because of the reduction in discretionary funds.

It was agreed across the sites that customers who stood to benefit the most from CPIM were those who were at a crisis point, with alcohol and other drug issues, or people in unstable or unsafe housing, as these were key factors when considering child wellbeing. Customers experiencing domestic violence were also noted as being a target population when considering income management.

In terms of negative outcomes or unintended consequences, child protection staff noted that customers were upset or aggressive when the prospect of being placed on CPIM was raised. In one site an example was provided of a family that were referred to CPIM but due to the hostility that placement provoked in these customers, the child protection staff decided to take them off CPIM. Staff suggested that to maintain a positive relationship with their customers, they had instead referred customers to the VIM measure.

# 7 Medium term outcomes evaluation questions

This chapter triangulates information from all sources of data presented and analysed in this report to provide a response to the evaluation questions that form the focus of this Medium Term Outcomes Evaluation Report.

## 7.1 Outcome evaluation questions

7.1.1 What are the short, medium and (where possible) longer-term impacts of PBIM on individuals, their families (particularly their children) and communities? Consider unintended consequences, positive and negative.

### 7.1.1.1 Secondary data

Secondary data indicates that the program potentially has a positive impact on housing stability (measured as the percentage of time spent homeless) and financial stability (measured through the number of urgent payments requested). These trends were not however found to be statistically significant – potentially owing to small sample sizes.

### 7.1.1.2 Face-to-face interviews

In face-to-face interviews, respondents attributed improvements in the ability to pay bills, groceries and, in some cases, save money to participation in PBIM. Pointing to deeper, potentially longer-term, outcomes associated with their involvement with the program, some noted an improved sense of stability, nutrition and well-being. Others noted that the program had assisted in developing positive financial management skills. Several participants also noted the positive impact the program had in dealing with their addictions – most commonly, drinking and smoking. Some participants noted that the program helped them to hold onto their money rather than give it away to others when they were not willing to.

Respondents did note negative impacts of the program. In the short-term, participants noted the inconvenience of not having the BasicsCard accepted by some vendors – most notably, for transport. Some participants felt that the program was difficult to navigate and there was often confusion in what payments were being made from income management versus personal accounts (owing to frequent changes in the benefits paid to participants). Some participants noted that the program was impinging on their personal freedom and that it was not ‘fair’ or ‘necessary’ for them to be subject to income management. There were reports of perceived ‘stigma’ and embarrassment attached to the use of the BasicsCard. Potentially longer-term impacts included reports of negative impacts placed on relationships – where some respondents noted an increased dependence on others around them for funds.

A negative and unintended impact was noted by some participants who stated that there were ways to ‘work around’ the BasicsCard to access goods that were not to be purchased with income managed money (alcohol and cigarettes).

### **7.1.1.3 Focus groups**

In the focus groups, DHS and state housing authority staff were positive when describing the usefulness of income management as a tool for helping customers with budgeting and prioritising income support funds. Numerous examples were provided by the staff of customers who, since going onto income management, had greatly improved their financial stability. It was reported that the budgeting required under income management had helped customers to reduce debts and increase their savings. Staff indicated that this financial stability had greatly increased the confidence of customers and led to a range of improvements in other outcomes particularly in housing stability.

Child protection staff were less positive about the impact of the PBIM, noting that they had only referred a small number of customers to the CPIM measure. While CPIM was an excellent tool for ensuring customers maintain stable housing, the staff reported the measure had made little impact on improving customers' financial management skills and, in any case, this was not as important a focus for this group as other priorities (e.g. addressing violence).

There were also some concerns raised by all staff about the sustainability of changes created through income management. The measure was reported as helpful in stabilising the customers' financial situation in the short term, but staff questioned whether customers would be able to maintain their financial management if the automatic allocation of their funds to priority needs ended.

Staff suggested that income management would be most useful for assisting customers in the longer term if income management was provided to customers in combination with other support services.

Participants in the focus groups reported that there were some negative unintended consequences, most notably for customers on the VULN-AT measure due to the automatic trigger for placement on the measure. Staff raised concerns that this approach had led to negative outcomes for some VULN-AT customers, particularly those who had been managing their income responsibly before the measure, so were disempowered when DHS took control of their income support payment.

In terms of positive unintended consequences, staff in the focus groups noted that income management had improved their relationship with many customers and enabled staff to build trust that they were unable to establish with non-income management customers.

### **7.1.1.4 Staff surveys**

Participants in the DHS survey were very likely to report that they had observed positive outcomes for the majority of VIM and VULN customers (85.7 per cent and 84.8 per cent of staff responded 'yes' to the question 'have staff seen positive impacts for customers placed on PBIM' for each measure respectively). Survey participants were less likely to report positive outcomes for CPIM customers, with only 36.2 per cent responding that they had (note that 49.5 per cent responded 'not applicable'). When asked to describe the most positive outcomes, across all customer types (VIM, VULN and CPIM), the majority of staff saw positive impacts in financial stability, housing stability and ability to provide for self.

In terms of negative impact, 41 per cent of respondents had seen negative impacts for VIM customers, 55.2 per cent of staff had seen negative impacts for VULN customers, and 13.3 per

cent for CPIM customers (note that 51.4 per cent of participants responded 'not applicable' to the question 'have you seen negative impacts' for CPIM customers). When asked to describe the most negative outcomes, staff responded the customer's inability to personally change the allocation of income support required for their basic needs, and the strain PBIM had placed on the relationship between customers and DHS staff.

Participants in the Financial Counsellor and Money Management survey were asked whether they had seen positive or negative impacts for customers they had worked with on VIM, VULN and CPIM measures. All staff (100 per cent) reported they had seen positive impacts for VIM customers, while only 71.5 per cent of staff had seen positive impacts for VULN/CPIM customers. In terms of negative impacts, 21.4 per cent of all staff reported they had seen negative impacts for VIM customers, while 41.7 per cent of staff reported they had seen negative impacts for VULN/CPIM customers.

Staff who responded that they had seen positive or negative impacts for customers on PBIM were asked to indicate what types of impacts they had seen. In relation to positive impacts for customers on VIM, three key themes were identified in staff comments<sup>31</sup>:

- Reduced stress resulting from managing finances
- Enhanced financial stability and control of finances, including managing regular repayments and expenses
  - In particular, staff noted this was particularly beneficial for sustaining housing tenancy and managing regular expenses allowed customers to purchase essential items, including upgrading appliances.
- Ability to establish savings, often for the first time
- Financial literacy including budgeting skills

In relation to positive impacts for customers on VULN and CPIM, similar themes to those mentioned above were evident in the seven responses provided by staff:

- Reduced stress
- Enhanced financial stability and control of finances, including managing regular repayments and expenses
- Financial literacy including budgeting skills.

As illustrated above, there was a greater proportion of total comments related to control of finances for VULN and CPIM customers compared to VIM, and no comments in relation to establishing savings. This may be a reflection of fewer total responses (7 compared to 14 responses).

In relation to negative impacts for customers on VIM, three comments were provided by staff<sup>32</sup> of which the key theme was an inability to shop where customers wanted to (two comments), including going to cheaper places and taking children to venues during holidays.

One comment also pertained to process aspects, including inaccurate processing of bills and lack of accessibility to personal accounts and ability to speak to someone quickly about it.

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<sup>31</sup> A total of 14 comments were provided, of which some covered more than one theme

<sup>32</sup> One comment is excluded as it related to negative impacts once customers ceased income management, noting most returned to it to regain control.

In relation to negative impacts for customers on VULN and CPIM, staff mainly commented on:

- customer's inability to shop where they want, including cheaper places for groceries
- insufficient income to cover basic needs, including paying bills
- negative self-image
- insufficient information provided to customers on income management, leading to confusion
- rigidity of income management – finding employment can disrupt the funds allocated and regular changes to their housing situation or employment may result in fluctuating expenses, for instance new clothing or travel changes.

### **Summary**

Findings indicate that PBIM has positively impacted the financial stability of customers who participate in the program. Customer and staff reports indicated that financial stability was associated with lowered stress and improved well-being. Staff noted that this was particularly the case where PBIM was used in conjunction with other complementary support services.

Evidence of a sustained medium or longer term improvement in financial management capability was varied. It was noted that one potential unintended consequence of the program could be a learned dependence on external financial management – particularly as financial management courses were not a compulsory component of the program.

Some individuals spoke to the positive impacts of the program in assisting them to address addictions. However, not all individuals identified with a need for assistance with addiction and as such felt the program was not well targeted and potentially carried stigma. It was further noted that the ability of the program to contain spending on prohibited items could at times be 'worked around'.

## **7.1.2 How do these effects differ for the various measures of the project?**

### **7.1.2.1 Secondary data**

Secondary data points to differences between individuals who participate in the various measures of PBIM. In addition to the significant differences in demographics (VULN-AT are younger and less likely to have children than those on other measures), the data further points to differences in expenditure and housing patterns. VULN-AT customers spend a considerably lower proportion of their income on accommodation than other measures. The classification of 'homelessness' utilised in this paper finds that VULN-AT customers appear to spend a longer time in a state of homelessness and that this is unaffected by participation in PBIM. However, it is possible that this data is not reflecting informal living arrangements practised within this cohort (such as 'couch surfing').

Secondary data analysis further found that VIM customers, despite having the capacity to exit the program at any time, have a higher 'survival probability' than individuals on other

measures. That is, VIM customers are more likely to continue on the PBIM program at any point in time than others.

#### **7.1.2.2 Face-to-face interviews**

Face-to-face interviews with PBIM customers found VIM customers to be typically more positive about the PBIM program. Many VULN-AT and VULN-SWA customers indicated some level of dissatisfaction with having been placed on the program and the restrictions it entailed. The reflections of compulsory customers on the outcomes of the PBIM program therefore tended to be more negative in nature than those of VIM participants.

#### **7.1.2.3 Staff focus groups**

Participants in the focus groups reported that VIM customers typically exhibited more positive outcomes than those on the compulsory measures. It was thought that this was due to customers on VIM being more motivated and willing to improve their lives, as these customers had voluntarily engaged with support, rather than being placed on income management.

However, some staff suggested that a customer's internal motivation and engagement with support were the key contributing factors to positive outcomes, regardless of whether a customer was on income management voluntarily.

Staff observations of CPIM customers' outcomes were limited due to the small number of referrals made across the sites, however it was reported that the most significant outcome for customers was the improvement in their housing stability, which reduced the need for child protection intervention as children living in stable accommodation were more likely to be clothed, fed and attending school. Staff also commented that while income management may not change the spending behaviour of all customers, the fact that it helped to ensure there was a roof over children's heads meant that it was a useful measure for most CPIM customers.

## Summary

Interviews with participants indicated that VIM customers were more likely to point to the positive aspects and outcomes of the program than customers who had been placed on a compulsory measure. Some staff reflected that irrespective of which measure participants were placed on, the true benefits of the program appeared to be driven by internal motivation within the customer. VIM customers were most likely to remain on PBIM for an extended period of time. Some staff noted that there may be a level of dependency on the program among some customers.

The CPIM measure has had a low level of uptake across all trial sites. Where applied, staff noted that the measure had limited impact on improving customer financial management skills, but was assisting them to maintain stable housing which was important for families with children.

### 7.1.3 Have there been changes in spending patterns, food, alcohol, gambling, and pornography and tobacco consumption?

#### 7.1.3.1 Secondary data

Secondary data analysis indicated that accommodation accounted for 50.9 per cent of total PBIM expenditure. It was interesting to note that this was less the case for VULN-AT customers, potentially a sign of alternative living arrangements within this youth-based cohort. Purchases in supermarkets account for 38.3 per cent of total expenditure. As noted in the Process and Short Term Outcomes Report, the dominance of spending in these sectors potentially provides a positive indicator for spending priorities. The analysis of retail transaction reports as presented in the Process and Short Term Outcomes Report was not able to be repeated in this report, owing to the non-provision of relevant data sources from retailers. For this reason, it is not possible to further consider changes in transaction patterns.

#### 7.1.3.2 Face-to-face interviews

In face-to-face interviews, several participants noted that the spending restrictions associated with the PBIM program assisted them in managing their addictions – which in turn assisted them in managing their lives.

It was noted, however, that in some instances, participants appeared to be ‘working around’ the restrictions imposed by the program. For example, one participant noted that if goods purchased on a BasicsCard were returned for cash, the money could be put towards alcohol and tobacco. Another participant noted that while inconvenient, the program simply encouraged them to take cigarettes from others.

#### 7.1.3.3 Staff focus groups

Focus group participants reported that customers had reduced their smoking and alcohol intake simply because income management had led to a reduction in the discretionary funds available to them for the purchase of tobacco and alcohol.

There were also reports that customers wanted to use income management as a tool to control their addictions, with staff providing examples of customers who had asked to have a greater proportion of their income support funds managed as they believed this would help them to curb spending on tobacco, alcohol and gambling.

### **Summary**

Both interviewed customers and staff noted that there were instances where the PBIM program had encouraged changes in spending on goods for which restrictions were applied. Several customers noted that the program had been beneficial in assisting them to manage addictions. Indeed, staff provided examples of customers who had requested that a higher proportion of their funds be subject to income management to further assist them in this effort.

Both customers and staff noted, however, that the restrictions in the program could be 'worked around'.

## **7.1.4 Has PBIM contributed to changes to financial management, child wellbeing, alcohol abuse, housing and homelessness, violence and child neglect?**

### **7.1.4.1 Secondary data**

Secondary data indicates that overall, 15 per cent of PBIM customers have taken up opportunities to attend MMCs. This information alone does not provide evidence that there is any significant change in financial management skills, but it is relevant to note that VIM customers have more frequently used these opportunities to develop financial management capabilities such as budget development and savings plans. Such capabilities have the potential to contribute to improved financial management in the future.

The secondary data further indicated that customers were less likely to request urgent payments following their time on PBIM, compared with their behaviour before PBIM. This indicates a possible improvement in financial management skills following enrolment in the program. It is important to note that this difference was not found to be statistically significant; however, the sample size available for analysis was small.

Similarly, it was also found that PBIM customers – particularly those in the VIM and VULN-SWA populations – were less likely to be homeless in the periods following interaction with the PBIM program. Once more, this difference was not statistically significant, again potentially relating to the small samples available for analysis.

Secondary data analysis is not able to provide a high level of insight into the contribution of PBIM towards child wellbeing, violence or instance of child neglect. The participation data does, however, provide that there has been an overall low uptake of the CPIM measure over the course of the program. Only eight cases were recorded between July 2012 and June 2014.

#### **7.1.4.2 Face-to-face interviews**

In face-to-face interviews, a number of participants noted the positive impact that PBIM had on their ability to manage money. These participants noted how the program assisted them in paying their bills, putting aside money for groceries and – in a few cases – assisted them in saving money. A number of participants did, however, note that the program itself had been inflexible in its capacity to support day-to-day financial management. Participants also noted that at times the system could lead to confusing and constantly changing payment arrangements.

#### **7.1.4.3 Staff focus groups**

In the focus groups, staff reported that income management had made a positive impact on their customers' financial situations, particularly as it had helped customers reduce debts, pay bills consistently on time, and maintain a fortnightly budget. There were numerous examples from across the five trial sites of customers paying off large debts and saving enough of their income support funds to make purchases that were previously unattainable, for example, a family holiday.

Staff noted that before income management, some customers simply ignored their bills and debts because they felt threatened or were too anxious to deal with the problem. Through income management staff were able to support these customers to improve their confidence and reduce anxiety.

There were also reports of customers who had reduced their smoking and alcohol intake due to the reduction in their discretionary funds.

Staff believed that PBIM had the potential to positively impact on children's wellbeing, and so far the most encouraging developments were due to customers' improved housing stability. Stable accommodation for customers and their children meant there were fewer occurrences of families sleeping rough and children being placed in out of home or kinship care. It was also noted by the staff that stable housing had a positive influence on children's attendance at school and educational attainment. Child protection staff commented that stable housing for families reduced the need for child protection interventions, as children living in stable accommodation were more likely to be clothed, fed and attending school.

The staff nonetheless cautioned that for some customers, these outcomes would be unsustainable if income management were to end. This was because the improvement in some customers' financial situations was due to the automated allocations and consequent or forced budgeting under income management, rather than changed behaviours or new skills learnt through income management.

#### **Summary**

Findings from all data sources indicated that at least in the short term, the PBIM program broadly had a positive influence over financial stability and management for customers. However, low attendance at financial management courses raised concerns that the capabilities may not be permanently ingrained in participants beyond the lifespan of the program.

Staff indicated that there was a positive impact of the PBIM program on child wellbeing – particularly in that the program assisted in improving customers’ housing stability. Stable accommodation was seen as a conduit for improving the health, education and mental wellbeing of children in the care of program participants..

## 7.1.5 What impact has the Matched Savings Payment had on customers’ ability to manage their money, including savings?

### 7.1.5.1 Secondary data

Secondary data analysis indicated that in the analysed period (June 2012 to July 2014), five customers had received the MSP incentive payment. All of these customers were on the VULN-AT measure. Fifty-five eligible PBIM customers had completed the requisite MMCs at this point in time. Together, this analysis implies that 2 per cent of eligible individuals went on to complete the requisite course work, of which only 10 per cent save the \$500 required to receive the incentive payment. That is, only 0.2 per cent of customers who are able to access the payment completed the required actions to receive the incentive.

Interestingly, the number of compulsory income management customers who commenced MMCs significantly exceeded the number of VIM customers who commenced MMCs. This indicates some potential impact of the MSP in encouraging enrolment. However, once enrolled, there was no significant difference in completion rates of the courses between the groups.

### 7.1.5.2 Face-to-face

Of participants in the face-to-face interviews, none were aware of having received the MSP. However, four participants had attended the Approved Money Management Course to be eligible for the payment. Only one of these four participants had completed all of the training courses, and this participant had not saved sufficient money to receive the MSP. Some participants were also trying to save funds to receive the incentive without realising the need to also attend training courses to be eligible for it.

While one participant indicated they were continuing to save towards the incentive, it appeared that the incentive was not acting as a strong motivational tool for most interviewees.

### 7.1.5.3 Staff focus groups

Focus group participants reported that the MSP had made little impact on customers’ ability to manage money because for the majority of customers, the savings target required to receive the MSP was unattainable. Customers on the compulsory measures were more financially vulnerable than the VIM customers and struggled to save enough of their income support to reach the target required to receive the MSP. Staff noted that some customers had given up on saving to reach the target, and suggested that the VIP and MSP be swapped to make the incentive payment more attainable for customers who needed it the most.

#### **7.1.5.4 Staff survey**

In the DHS staff survey, participants were asked to select their agreement in response to the statement 'the MSP has improved customer's ability to manage their money'. Only 30.1 per cent of survey participants responded that they either strongly agreed or agreed with this statement, while 21.7 per cent either disagreed or strongly disagreed. Customers were also asked to rate their agreement with the statement: 'the MSP has motivated customers to take up referrals to and attend MMCs'. Only 33.7 per cent of participants responded that they either strongly agreed or agreed with this statement, while 30.1 per cent reported they either disagreed or strongly disagreed.

#### **Summary**

Overall, the low level of uptake of the MSP incentive alongside customer and staff reports indicate that the payment has had little impact on customers' ability to manage money, including savings. The incentive potentially encourages customers to enter into the financial management courses, however, does not incentivise course completion. This indicates that the payment does not necessarily encourage learning behaviours which would lead to improved money management.

Further, very few participants have saved the requisite amount to receive the incentive. It is possible, as noted by staff, that the savings target has been set too high. That is, any improvement in customers' ability to save may be masked by the threshold required to receive the payment.

#### **7.1.6 Do the three measures achieve appropriate outcomes (based on the aims of each measure and of PBIM) for their participants?**

##### **7.1.6.1 Face-to-face interviews**

Face-to-face interviews with participants indicated that while VIM customers felt that the program was positive in its application and outcomes, many VULN customers had reservations about the appropriateness of the program for their circumstances. Most interviewed VULN-AT customers felt that the program had been compulsorily applied despite there being no account of addiction or monetary mismanagement in the participant's history.

##### **7.1.6.2 Staff focus groups**

In the focus groups, it was reported that the VIM measure was the most appropriate form of income management as these customers had exhibited the positive outcomes once placed on the measure and customers were happy to be income managed voluntarily. VULN-SWA customers were more reluctant to be placed on the measure and often did not believe they required support with their financial management. Once social workers had the chance to explain income management, customers were more willing to try the measure and there were reports of customers asking to be placed on VIM once their time on VULN-SWA ended.

Outcomes for VULN-AT customers were less positive as these customers were often upset that they had been placed on the measure due to an automatic trigger, particularly when they had been responsibly managing their finances and did not believe they needed support.

Observations of outcomes for CPIM customers were limited due to the small number of referrals to this measure. Staff reported that while CPIM was an excellent tool for stabilising a customer's housing situation, it had placed strain on the relationship and work done with customers during the intervention to assist the family.

### **Summary**

Both customers and staff noted that the VIM measure achieved many positive outcomes for customers, spanning improved financial stability, personal and child wellbeing and addiction control. Despite instances of initial resistance, staff further noted that the outcomes for VULN-SWA also appeared predominantly positive and appropriate.

Staff and customers found that the VULN-AT measure was at times met with resistance and may not always be the most appropriate measure for improving the customer's circumstances.

For all measures, it was noted that the capacity of the program to have a sustained positive influence on the financial management capability of customers may be limited by the low uptake of financial management courses. In some instances, staff questioned whether the program could result in a dependency on external financial management services – an outcome which would not be aligned with the aims of any PBIM measure.

## **7.1.7 Are there synergies or complementarities between PBIM and other place-based measures?**

### **7.1.7.1 Staff focus groups**

Participants in the focus groups reported that the key synergy between income management and other place-based measures was the fact that some of the remaining BAFW initiatives provided a referral source into income management. DHS staff commented that initiatives such as Helping Young Parents, Supporting Jobless Families, and Communities for Child provided a key source for customer referrals. It was reported that DHS staff or other staff who conducted courses as part of the BAFW initiatives promoted income management to participants as a tool available for their assistance.

It was also suggested that the staff skill set required to facilitate the BAFW programs and for income management were similar in that each required staff to assist people using strengths based approaches.

## Summary

It was reported by staff that other place-based measures acted as a key source for customer referrals to PBIM. It was further suggested that there were complementarities across staffing requirements for the programs.

**7.1.8** Has the outcome of PBIM differed across different groups, for example, women, Indigenous people and people from culturally and linguistically diverse backgrounds? Consider also – if sufficient data is available – location, age, educational status, work status, type of payment, length of time on welfare payments and family composition.

### **7.1.8.1** Staff focus groups

In the focus groups, staff provided the following observations in relation to PBIM outcomes across different population groups.

For customers who identified as Aboriginal and Torres Strait Islander there was some initial reluctance to be placed on income management due to the negative media portrayal of income management as an initiative that targeted Indigenous Australians. At the time of the focus groups, staff reported that Indigenous leaders and Indigenous Health Workers were willing to refer Indigenous customers for income management because they had heard stories of positive outcomes for customers on PBIM.

Staff in one site commented that income management had posed difficulties for some CALD populations who did not completely understand what the measure involved due to language barriers.

Income management was reported as particularly helpful for elderly customers who needed assistance with paying their bills on time. Outcomes for younger people in some sites were less positive as staff reported that young people were not as likely to engage with DHS and were therefore less able to be supported by staff while on income management.

DHS staff noted that it was common for younger customers to be transient or staying in less conventional accommodation. Staff provided the example of customers who ‘couch surfed’ or stayed with friends and found being on income management difficult because their funds allocated to paying rent were not consistent over time. This sentiment was also reflected by participants in face-to-face interviews – noting that PBIM was often inflexible in addressing alternative living arrangements. That younger people are more likely to engage in these informal housing arrangements could potentially reduce the ability of PBIM to achieve positive outcomes for this cohort.

### Summary

No gender or ethnicity based differences in outcomes were reported. It was noted that there are some differences for outcomes by age -- as indicated in the differences between reported outcomes for the VULN-AT cohort and VULN-SWA and VIM customers.

## 7.2 Vulnerable measure

### 7.2.1 How does PBIM impact on the vulnerability of individuals?

#### 7.2.1.1 Secondary data

Secondary data analysis indicated that housing stability – a key metric of ‘vulnerability’ – appeared to improve for VULN-SWA customers following participation in PBIM. This trend was not found to be significant, though this may be driven by the small sample size available for analysis. No such trend was observed for VULN-AT participants.

#### 7.2.1.2 Face-to-face interviews

Face-to-face interviews with PBIM customers found the reflections of compulsory customers on the outcomes of the PBIM program tended to be more negative in nature than those of VIM participants.

#### 7.2.1.3 Staff focus groups

Similarly, in focus groups, staff were less positive about the impact of PBIM on VULN customers when compared with VIM, particularly the distress caused when customers were first told they would be placed on the measure compulsorily. Most VULN-SWA customers did not perceive themselves to be vulnerable and were upset when income management was raised with them because they felt unnecessarily targeted. Once staff explained what the measure involved, customers were more content with being placed on the measure and staff reported improvements in customers’ outcomes, particularly in their housing situation.

VULN-AT customers were also distressed when told they would be placed on income management and staff reported that customers were often hostile towards DHS staff. Staff raised concerns that the VULN-AT measure may be detrimental to the outcomes for customers. This was because many customers were managing their finances responsibly before PBIM, so when they were selected due to the automatic triggers, their control was removed and customers were disempowered by the measure.

### Summary

Overall, while there were some reports of reduction in vulnerable circumstances for those on compulsory measures, reports of positive outcomes were mixed because of a reluctance to be involuntarily subscribed to such measures. This was particularly true of VULN-AT customers.

Previous reports in this evaluation have indicated that the VULN-AT customers are 'less vulnerable' than other PBIM customers against a number of measures to begin with. As a young group, the individuals are less likely to have dependent children and are more commonly engaged in alternative living arrangements. The implication of this may be that it is more difficult to show a large change in vulnerability for these individuals. However, this is not to say that there may be a positive impact on vulnerability in future years which the program helped contribute to.

## **7.2.2 Has PBIM had an impact on addressing homelessness and housing security?**

### **7.2.2.1 Secondary data**

Address data made available for secondary data analysis was used to construct a measure of 'homelessness'. The per cent of time spent homeless was calculated for the 26 weeks before PBIM, the time during PBIM and the 26 weeks following PBIM.

Overall, it appeared that the time spent homeless increased for control populations and decreased for VIM and VULN-SWA populations. There appeared to be little change for the VULN-AT population. None of these differences were statistically significant though, as noted above, it is possible that this is in part driven by the small sample sizes available for analysis.

### **7.2.2.2 Staff focus groups**

Focus group participants reported that PBIM had a positive impact on VULN-SWA customers' housing stability. 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. Staff also noted that most private and public landlords were more willing to take on income management customers, even those with a history of rental debt, because they were guaranteed to receive consistent payments if the customer was on income management.

It was also mentioned that if housing staff knew a customer was on income management, they could follow up DHS staff to determine why someone's rent was not paid. In some cases staff found that rental discrepancies were simply due to rental increases that were not registered in time on the DHS system.

The impact on some VULN-AT customers was less positive, with staff suggesting that it was common for younger customers to be transient or staying in less conventional accommodation. Staff provided the example of customers who 'couch surfed' or stayed with friends and found being on income management difficult because their funds allocated to paying rent were not consistent over time. This sentiment was also reflected by participants in face-to-face interviews – noting that PBIM was often inflexible in addressing alternative living arrangements.

## Summary

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 and VIM customers. No such trend was observed for VULN-AT customers. These findings were echoed in interviews with both customers and staff. Staff and customers noted housing for VULN-AT customers, driven by their age and preferences, appeared to tend towards more informal arrangements. In some of these instances, it was found that PBIM was not an appropriate tool for securing housing stability.

### 7.2.3 Has PBIM had an impact on addressing financial crisis and financial exploitation?

#### 7.2.3.1 Face-to-face interviews

In face-to-face interviews, individuals noted that in some instances PBIM assisted them to refuse others who would otherwise force them to provide funds to them. Other participants noted that the program did assist in creating a stable financial environment which translated to overall improvements in well-being.

#### 7.2.3.2 Staff focus groups

In the focus groups it was suggested that PBIM had a positive impact on improving customers' financial situation, particularly as it had enabled staff to help customers reduce their debts, pay bills, and maintain a budget. This improvement in customers' financial situation helped to reduce the occurrence of financial crises because customers were more able to save some of their income support funds so that they were prepared for unexpected financial events.

The staff cautioned that, for some customers, these outcomes would be unsustainable if income management were to end. This was because the improvement in some customers' financial situations was due to the automated allocations and consequent or forced budgeting under income management, rather than changed behaviours or new skills learned through income management.

It was also noted that there were greater unintended consequences for customers on the VULN-AT measure when compared with other customers. This was because the automatic triggers meant customers who had been managing their income responsibly before the measure were disempowered when DHS took control over some of their income support payments.

In terms of financial exploitation, staff provided examples of customers who wanted to have their income support funds managed as this reduced the opportunity for their family and friends to coerce them into providing money. Staff noted that a number of customers had asked to have the proportion of their allocated funds increased as this would limit the funds available when family and friends pestered them for money.

### **Summary**

Overall, it appears that the program had a positive impact on improving customers' financial situation as well as reducing instances of financial exploitation. It was noted that if sufficient training was not accessed during the program, the positive financial impacts may not be sustained beyond the individual's exposure to the program.

## **7.2.4 Has PBIM made people less willing to disclose their problems to social workers for fear of being placed on PBIM?**

### **7.2.4.1 Staff focus groups**

Participants in the focus groups reported the majority of VIM customers did not want to be taken off the measure as they had found being on income management to be a positive experience. Noting this, there was some concern among staff regarding how customers would cope if customers were ever forced to be taken off the measure. Some staff believed there would be much customer anxiety if income management ended because they had become dependent on DHS automatically paying their bills and rent, and reliant on income management to control their budgeting of income support funds.

### **7.2.4.2 Staff survey**

In the DHS survey, social workers were asked to what extent they agreed with the statement 'since the introduction of PBIM, have any customers indicated to you that they are less willing to disclose their problems for fear of being placed on income management'. Over half (56.3 per cent) of the participants responded 'disagree' or 'strongly disagree'. A further 18.8 per cent agreed while 18.8 per cent neither agreed nor disagreed (the residual were not sure).

### **Summary**

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.

## **7.3 Voluntary measure**

### **7.3.1 How long do voluntary PBIM recipients stay on the measure?**

#### **7.3.1.1 Secondary data**

Analysis was conducted to determine the probability of customers staying on PBIM for a particular period of time. This type of analysis is called 'survival curve' analysis and uses information about the number of people who are present in a program at any given point in time, and the number of people who have left the program by that same point in time, to estimate the future rate of exit from the program. Compared with all other PBIM measures, VIM has a relatively higher survival curve, indicating that at any point in time a VIM customer

has a relatively higher probability of remaining on the PBIM measure for an additional day than VULN-AT customers.

### **7.3.1.2 Staff focus groups**

Participants in the focus groups reported the majority of VIM customers did not want to be taken off the measure as they had found being on income management to be a positive experience. Noting this, there was some concern among staff regarding how customers would cope if customers were ever forced to be taken off the measure. Some staff believed there would be much customer anxiety if income management ended because they had become dependent on DHS automatically paying their bills and rent, and reliant on income management to control their budgeting of income support funds.

#### **Summary**

Analysis reported in this evaluation suggests that VIM recipients stay on the measure for a longer period of time than many other customers (VULN-AT). Some staff raised concerns that it would be difficult for this cohort to be taken off this measure.

## **7.4 Child protection measure**

### **7.4.1 What has been the impact of PBIM on child neglect/abuse?**

Staff in the focus group did not report specifically on the impact of PBIM on child abuse or neglect but they did suggest that, through improvements in housing stability and responsible budgeting, customers would be better able to care for their children or dependants.

### **7.4.2 What has been the impact on child physical and mental wellbeing in those families referred to child protection services?**

In the focus groups, child protection staff reported that their observations of the impact of child physical and mental wellbeing in families referred to child protection were limited due to the small number of customers who had been referred to the CPIM measure. In sites where customers had been referred to CPIM, staff commented that the improvement in housing stability would reduce the need for child protection intervention as children living in stable accommodation were more likely to be clothed, fed and attending school when compared with customers who were sleeping rough.

### **7.4.3 What are the barriers and facilitating factors for child protection workers to use PBIM as a casework tool?**

Staff in the focus groups reported the most challenging factor for their use of CPIM as a casework tool was the need for them to gain customer consent to be placed on the measure. Staff suggested that the vast majority of customers were unlikely to consent to being placed on the measure. Staff suggested this meant that CPIM was not a practical tool for use by child protection staff because there was no way they could ensure that customers even accessed the support required.

Other barriers reported by child protection staff were:

- staff turnover and the subsequent loss of knowledge about the measure
- the need for leaving a customer's case file open until the customer had ended their time on CPIM, even if the child protection intervention had ended
- confusion with the burdensome referral process at some sites.

In terms of facilitators for use of CPIM as a casework tool, child protection staff mentioned that a key enabler would be to make CPIM compulsory in all sites. Some staff remarked that CPIM should be a statutory requirement as this would help staff to enforce income management for customers who required it. Staff also suggested that CPIM would be used more if they could refer customers directly to a nominated DHS staff member as this would alleviate confusion with the referral process and potentially increase use of the measure.

Other facilitating factors suggested by child protection staff included:<sup>33</sup>

- periodic training to overcome knowledge loss from staff turnover
- designate a staff member to 'champion' CPIM to help improve understanding of the measure and the process for referral
- add an attainable incentive payment for people going onto CPIM
- provide the option for a variable percentage of income support funds to be managed
- continually promote PBIM within the community to create positive perceptions and reduce the mistrust that had been generated through negative media campaigns
- designate one staff member from DHS to be the contact for income management in that site
- have a staff member from DHS visit the child protection office once a week to drive CPIM and field questions.

#### 7.4.4 Has there been referral to, and use of, Family Support Services, including Commonwealth and State Government funded services, by families income managed under child protection services?

In the focus groups, some child protection staff reported that they had referred customers to other state and Commonwealth Government services because these services provided more holistic support for customers. For example, staff were more likely to refer customers to services providing relationship counselling or support for drug addiction before they were offered financial management assistance.

#### 7.4.5 What (if any) service delivery gaps have impacted on the usefulness of the child protection services?

Focus group participants reported that there were delivery gaps for child protection services because PBIM was planned, funded and implemented by the Commonwealth Government but child protection services were being implemented and managed by state government offices.

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<sup>33</sup> It should be noted that DHS offers training at the request of the child protection authority and local ZIMCOs promote income management in their community.

Child protection staff believed that this had led to gaps particularly in information sharing between the states and DHS. For example, it was noted that while the measure was explicitly linked to the Centrelink benefits received by an individual, child protection staff may have limited visibility over this income. Both DHS staff and child protection staff noted that the measure may be better utilised if there was a greater level of information sharing as well as physical cross-over between the services (such as opportunities for warm handovers).

## 8 Key conclusions

This report has analysed both secondary and primary data with the purpose of reviewing medium term outcomes for participants in PBIM. The following summary points outline key conclusions presented in this report:

- **Financial stability and financial capability.** Findings from all data sources indicated that at least in the short term, the PBIM program broadly had a positive influence over financial stability and management for customers. However, low attendance at financial management courses raised concerns that capabilities may not be permanently ingrained in participants beyond the lifespan of the program.
- **Child wellbeing.** Staff indicated that there was a positive indirect impact of the PBIM program on child wellbeing – particularly in that the program assisted in improving customers’ housing stability. Stable accommodation was seen as a conduit for improving the health, education and mental wellbeing of children in the care of program participants. However, measuring any direct gains was impeded by small numbers of CPIM participants.
- **Alcohol, tobacco and gambling.** Interviewed customers and staff noted that there were instances where the PBIM program had encouraged reduced spending and dependence on alcohol, tobacco and gambling. Several customers noted that the program had been beneficial in assisting them to manage addictions. Indeed, staff provided examples of customers who had requested that a higher proportion of their funds be subject to income management to further assist them in this effort. Both customers and staff noted, however, that spending restrictions imposed by the program could be ‘worked around’.
- **Housing stability.** Though 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 and VIM customers. No such trend was observed for VULN-AT customers. These findings were echoed in interviews with both customers and staff. Staff and customers noted that for VULN-AT customers, housing appeared to tend towards more informal arrangements. At times, the income management processes were viewed as inflexible in their capacity to provide for individuals engaged in informal housing arrangements.
- **Differences between measures.** Interviews with participants indicated that VIM customers were more likely to point to the positive aspects and outcomes of the program than customers who had been placed on a compulsory measure.

VULN-AT customers appear to display the greatest level of discrepancy in outcomes when compared with other measures. As a younger cohort, it has been found in previous reports that these individuals tend to be less vulnerable at baseline than other PBIM customers. The objectives and mechanisms of income management appear to be less frequently aligned with the needs or circumstances of these individuals. Further, surveyed VULN-AT individuals tended to harbour more negative sentiments towards the program – feeling that it is ‘unfair’, ‘inappropriate’ and ‘embarrassing’.

- **CPIM.** The CPIM measure has had a low level of uptake across all trial sites. Staff in the focus groups reported that the requirement that consumers consented to the release of their personal information to DHS presented the greatest barrier for its use as a casework tool. The service gap between state administered child protection and the federally administered PBIM was also seen to drive complexities in administration of the measure.

- **Consumer suggested improvements.** Interviewed customers suggested several improvements that could be made to the administration of the PBIM program including:
  - increased flexibility in funds allocation
  - an increase in the number of eligible BasicsCard vendors
  - increased confidentiality – for example, less obvious markings on the BasicsCard -- to reduce potential for stigma
  - some also noted that the program could be better targeted towards vulnerable individuals who would best stand to benefit from income management.
- **Staff suggested improvements.** Interviewed DHS, child protection and housing staff also raised several suggestions for improving the administration of PBIM:
  - like customers, DHS staff noted that there could be benefits to increasing the flexibility in funds allocation – allowing staff to manually adjust the volume of funds that was income managed by individual
  - that MSP thresholds should be revisited and potentially that it was swapped with the VIP offered to VIM customers
  - the role for financial counselling should be broadened to ensure customers are learning financial management skills at the same time as improving financial stability through participation in PBIM
  - CPIM should be able to be applied as a compulsory measure which does not require customer consent
  - pathways for sharing information between DHS and relevant state government bodies such as child protection and housing authorities need to be opened.

This report is the third in a series of evaluation reports prepared by Deloitte Access Economics of the PBIM trial. The final report in this series is due for release in April 2015, and will consider all data collated to date as well as the final wave of longitudinal survey data collected and the BasicsCard merchant survey.

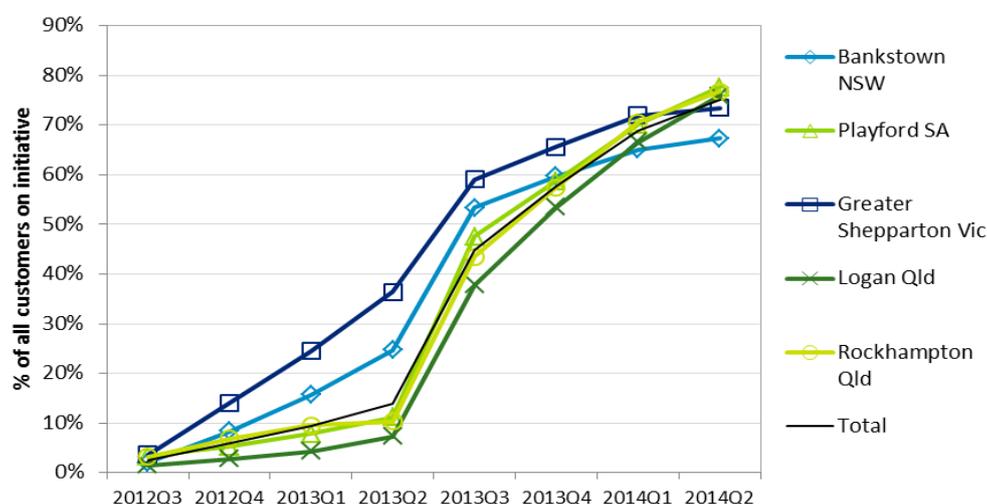
# 9 Appendix A

The tables and charts below provide information to supplement that which is presented in Chapter 3. Predominantly, the additional information pertains to a consideration of site based differences in participation and utilisation. This was not of primary relevance to the evaluation, however, is included here as context and additional information.

## 9.1 PBIM participation

The charts and tables in this section consider participation in PBIM across sites and over time.

**Chart 9.1: PBIM customers active by quarter 1 July 2012 to 28 June 2014, by site**



Source: PBIM customers 1 July 2012 to 30 June 2014.

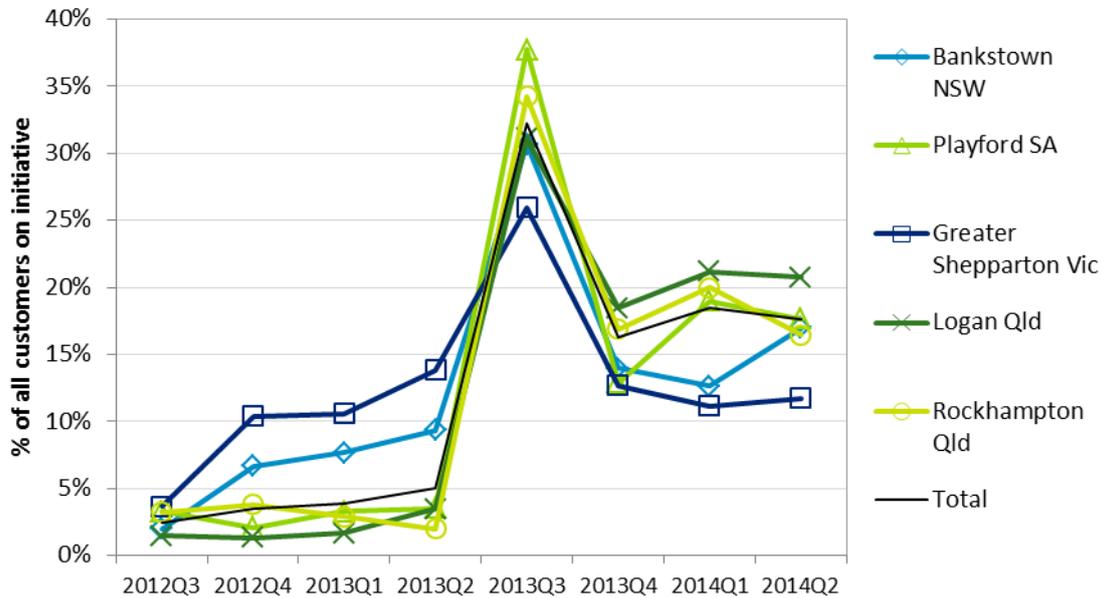
Note: 14 cases began between 29 Jun 2014 and 30 Jun 2014 (7 Logan, 3 Rockhampton, 4 Playford).

Note. 'quarter' refers to 13 week periods

**Table 9.1: PBIM customers active by quarter 1 July 2012 to 28 June 2014, by site (per cent of site total)**

	2012Q3	2012Q4	2013Q1	2013Q2	2013Q3	2013Q4	2014Q1	2014Q2
Bankstown NSW	2.0	8.3	15.7	24.7	53.3	59.7	65.0	67.3
Playford SA	3.3	5.3	7.8	11.2	47.5	58.7	70.1	77.6
Greater Shepparton Vic	3.7	14.0	24.4	36.3	59.0	65.6	71.9	73.5
Logan Qld	1.5	2.8	4.3	7.3	37.8	53.4	66.5	75.9
Rockhampton Qld	3.2	6.9	9.5	10.3	43.5	57.5	70.5	76.8

**Chart 9.2: PBIM customers on PBIM for the first time by quarter, 1 July 2012 to 28 June 2014, by site**



Source: PBIM customers 1 July 2012 to 30 June 2014.

Note: 14 cases began between 29Jun2014 and 30Jun2014 (7 Logan, 3 Rockhamptom, 4 Playford).

Note. 'Quarter' refers to 13 week periods

**Table 9.2: PBIM customers on PBIM for first time by quarter, 1 July 2012 to 28 June 2014, by site (per cent of site total)**

	2012Q3	2012Q4	2013Q1	2013Q2	2013Q3	2013Q4	2014Q1	2014Q2
Bankstown NSW	2.0	6.7	7.7	9.3	30.7	14.0	12.7	17.0
Playford SA	3.3	2.1	3.3	3.6	37.7	12.9	19.0	17.6
Greater Shepparton Vic	3.7	10.4	10.6	13.8	26.0	12.7	11.2	11.7
Logan Qld	1.5	1.3	1.7	3.5	31.1	18.5	21.2	20.8
Rockhampton Qld	3.2	3.8	2.9	2.0	34.3	16.9	20.0	16.4

### 9.1.1 Customers going on and off PBIM

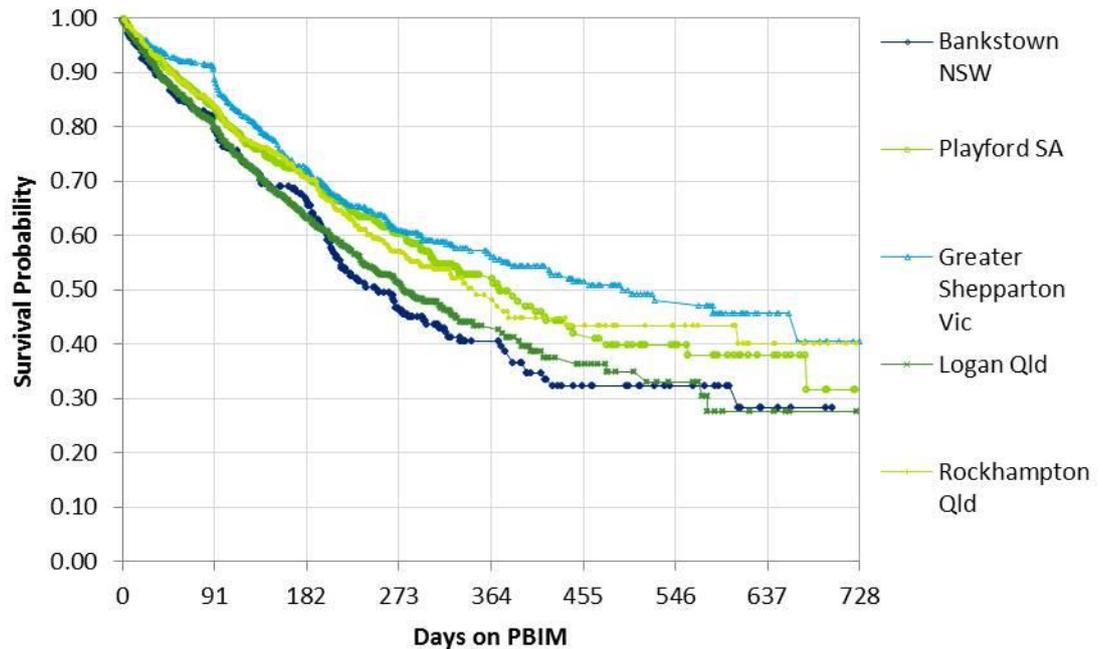
This section provides additional information pertaining to the reasons why customers were reported to experience 'off' events from the PBIM trial.

**Table 9.3: Reasons for 'off' events, 1 July 2012 to 4 July 2014, number of events**

	Interrupti ons all PBIM	Interrupti ons VIM	Interrupti ons VULN- SWA	Interrupti ons VULN-AT	Event ending PBIM all PBIM	Event ending PBIM VIM	Event ending PBIM VULN- SWA	Event ending PBIM VULN-AT	All recorded 'off' events all PBIM	All recorded 'off' events VIM	All recorded 'off' events VULN- SWA	All recorded 'off' events VULN-AT
Customer either has no Trigger payment or it has ceased	778	79	31	668	623	32	10	581	1519	119	44	1356
Detrimental Exclusion	0	0	0	0	4	0	0	4	4	0	0	4
End of Income Management Period	7	0	5	1	13	0	11	0	20	0	16	1
Excluded payment nominee	0	0	0	0	7	0	1	6	7	0	1	6
Incorrectly Identified as IM Eligible	1	0	0	1	34	0	0	34	35	0	0	35
Imprisonment	1	0	1	0	7	0	0	7	10	0	1	9
Initiative Transfer	20	1	16	0	4	4	0	0	24	5	16	0
Customer Ineligible	8	5	2	0	319	308	10	1	347	333	12	1
Customer not in valid area	1	1	0	0	0	0	0	0	1	1	0	0
Auto IM to Manual IM transfer	1099	0	31	1066	3	0	0	3	1112	0	31	1079
Manual IM to Auto IM transfer	33	0	0	33	0	0	0	0	33	0	0	33
Vulnerable Apprentice or Student	5	0	2	3	157	1	0	156	177	1	2	174
Vulnerable Off IM customer request	8	0	4	4	312	0	1	311	368	0	5	363
<b>Total</b>	<b>1961</b>	<b>86</b>	<b>92</b>	<b>1776</b>	<b>1483</b>	<b>345</b>	<b>33</b>	<b>1103</b>	<b>3657</b>	<b>459</b>	<b>128</b>	<b>3061</b>

The chart below considers the probability of a customer staying on PBIM by days. The chart indicates that customers from Greater Shepparton LGA have the highest probability of remaining on PBIM for the greatest number of days, that is, they have the highest survival probability. Conversely, Bankstown and Logan customers have lower survival probabilities.

**Figure 9.1 Kaplan-Meier Survival Curves, time on PBIM July 2012 to July 2014, by site**



### 9.1.2 Money Management Service Utilisation

Table 9.4 provides further detail on the utilisation of MMS (a component of FMPS) by site. The utilisation of MMS is highest in Rockhampton among compulsory income management customers. The utilisation of MMS by VIM is highest in Logan.

**Table 9.4: Composition of Money Management Clients, by site (per cent of site total)**

	VULN-AT, VULN-SWA, CPIM	VIM	Non-PBIM
Bankstown NSW	4	10	86
Playford SA	2	10	88
Greater Shepparton Vic	3	10	87
Logan Qld	19	25	56
Rockhampton Qld	75	11	14
Total	15	13	72

## 9.2 BasicsCard issue and use

The following tables provide additional detail to supplement the BasicsCard use and issue analysis presented in Chapter 3. They provide data which is not central to the evaluation itself but may be of interest, or provide relevant context, for some readers.

### 9.2.1 BasicsCard issue

**Table 9.5: Persons who have been issued a BasicsCard, by site**

<b>Trial LGA</b>	<b>(a) Persons issued a BasicsCard</b>	<b>(b) Persons on PBIM</b>	<b>Per cent (a)/(b)</b>
Playford SA	723	816	88.6
Greater Shepparton Vic	452	520	86.9
Rockhampton Qld	569	651	87.4
Bankstown NSW	233	300	77.7
Logan Qld	1143	1430	79.9
Unknown	67	84	79.8

**Table 9.6: BasicsCards issued, by site (per cent of site total)**

<b>BasicsCards Issued per person</b>	<b>Bankstown NSW</b>	<b>Playford SA</b>	<b>Greater Shepparton Vic</b>	<b>Logan Qld</b>	<b>Rockhampton Qld</b>	<b>All customers</b>
1	68	77	69	79	70	75
2	18	15	22	14	18	17
3	8	4	5	4	7	5
4+	6	4	4	3	4	4

**Table 9.7: Number of BasicsCards issued, by measure (per cent of measure total)**

<b>BasicsCards Issued per person</b>	<b>CPIM</b>	<b>VIM</b>	<b>VULN-SWA</b>	<b>VULN-AT</b>	<b>All customers</b>
1	[Not reported]	62	47	80	75
2	[Not reported]	23	28	14	17
3	[Not reported]	8	9	4	5
4+	[Not reported]	7	17	2	4

## 9.2.2 BasicsCard use

**Table 9.8: Transfers into BasicsCard per 28 days, by measure (per cent of measure total)**

Transfers per 28 days	CPIM	VIM	VULN-SWA	VULN-AT	All customers
under 2	12.5	28.5	24.5	38.1	35.3
2 to under 4	25.0	43.7	43.6	52.5	50.0
4 to under 6	50.0	19.6	25.5	7.4	11.1
6 or more	37.5	10.8	14.9	2.9	5.3

**Table 9.9: Distribution of amount transferred into BasicsCard (per cent)**

Transfer amount per transfer	Per cent of transfers	Per cent of customers	Per cent of transfers (cumulative)	Per cent of customers (cumulative)
under \$10	5.4	0.3	5.4	0.3
\$10 - \$19.99	6.7	1.1	12.2	1.4
\$20 - \$29.99	6.0	1.5	18.2	3.0
\$30 - \$49.99	14.1	5.8	32.3	8.8
\$50 - \$99.99	24.3	24.2	56.7	33.1
\$100 - \$149.99	12.6	23.8	69.4	56.9
\$150 - \$199.99	13.7	20.8	83.1	77.7
\$200 - \$249.99	8.5	12.9	91.7	90.6
\$250 - \$299.99	2.8	4.3	94.5	95.0
\$300 - \$449.99	2.3	3.4	96.9	98.4
\$450+	3.1	1.5	100.0	100.0

**Table 9.10: Number of purchases per 14 day period, by site**

Purchases per 14 days	Bankstown NSW	Playford SA	Greater Shepparton	Logan Qld	Rockhampton Qld	Unknown	All LGA
No purchases recorded	3.5	3.5	4.0	3.3	3.2	3.0	3.4
under 2	19.9	21.1	18.7	20.5	13.9	17.9	19.1
2 to under 4	27.3	26.1	24.2	26.4	22.2	20.9	25.2
4 to under 7	26.0	30.7	30.2	30.1	32.5	29.9	30.4
7 or more	23.4	18.5	22.9	19.6	28.2	28.4	21.8

**Table 9.11: Value of purchases within 14 day periods, by site (per cent)**

Purchases per 14 days	Bankstown NSW	Playford SA	Greater Shepparton	Logan Qld	Rockhampton Qld	Unknown	All LGA
Under \$10	28.7	29.0	26.0	27.7	30.0	29.4	28.3

Purchases per 14 days	Bankstown NSW	Playford SA	Greater Shepparton	Logan Qld	Rockhampton Qld	Unknown	All LGA
\$10 to < \$20	19.2	22.7	22.6	21.6	21.5	20.0	21.8
\$20 to < \$40	25.0	23.3	26.1	24.5	23.0	22.9	24.2
\$40 to < \$80	17.1	14.9	16.7	16.2	15.5	16.7	16.0
\$80 or more	10.0	10.1	8.5	10.0	10.0	11.0	9.8

Table 9.12: Transactions at retailer types, by site (per cent of site total)

	Bankstown NSW	Playford SA	Greater Shepparton Vic	Logan Qld	Rockhampton Qld	All LGAs	Number of transactions	Expenditure
Supermarket	<b>55.2</b>	61.8	59.3	61.7	63.9	61.3	140,967	59.0
Petrol station	13.1	13.6	14.9	16.8	14.0	14.9	34,307	12.5
Department store	12.2	13.3	13.6	13.9	11.8	13.1	30,290	18.3
Chemist/pharm	3.4	2.4	3.6	2.3	2.3	2.6	60,90	1.5
Discount store	1.0	2.3	2.5	0.8	2.0	1.7	40,58	1.1
Clothes store	1.4	1.8	0.7	1.0	1.1	1.2	2,800	2.2
Convenience store	0.3	0.4	0.0	<b>1.6</b>	<b>2.3</b>	1.0	2,512	0.5
Transport	<b>9.9</b>	0.7	0.4	0.0	0.0	1.0	2,459	0.2
Butcher	0.4	<b>1.1</b>	<b>0.9</b>	0.1	0.4	0.6	1,372	0.5
Second-hand goods	0.1	0.4	<b>1.0</b>	0.0	0.3	0.4	913	0.2
Shoe store	<b>0.8</b>	0.4	0.1	0.3	0.2	0.3	733	0.9
Hardware store	0.1	0.2	0.5	0.2	0.2	0.2	689	0.3
Australia Post	0.4	0.3	0.2	0.1	0.2	0.1	551	0.7
Automotive Repairs	0.2	0.2	0.1	0.3	0.2	0.0	548	0.4
Bakery	0.0	0.0	<b>0.6</b>	0.0	<b>0.4</b>	0.2	469	0.0
Fruit and vegetables	<b>0.5</b>	0.1	<b>0.6</b>	0.0	0.0	0.10	401	0.1
Motor vehicle registry	[blank]	<b>0.2</b>	[blank]	[blank]	0.0	0.0	143	0.2

Table 9.13: Average value of spend at retailer types, by site (\$)

	Bankstown NSW	Playford SA	Greater Shepparton Vic	Logan Qld	Rockhampton Qld	All LGAs
Supermarket	\$35.38	\$32.68	\$30.10	\$32.71	\$31.88	\$32.28
Petrol station	\$33.46	\$26.00	\$29.71	\$27.46	\$28.03	\$28.13
Department store	\$46.53	\$44.11	\$47.51	\$47.27	\$48.07	\$46.77
Chemist/pharmacy	\$20.89	\$18.43	\$21.56	\$18.63	\$21.97	\$20.15
Discount store	\$22.12	\$17.87	\$26.13	\$24.86	\$22.93	\$22.47
Clothes store	\$57.95	\$56.30	\$69.18	\$68.59	\$57.40	\$61.73
Convenience store	<b>\$34.07</b>	\$19.96	[blank]	\$15.51	\$18.47	\$17.67
Transport	<b>\$5.04</b>	\$13.34	\$20.19	<b>\$78.70</b>	\$27.65	\$8.37
Butcher	\$29.73	\$27.69	\$33.19	\$34.86	<b>\$45.78</b>	\$32.91
Second-hand goods	\$33.88	\$27.11	\$23.80	\$21.48	\$20.80	\$24.27
Shoe store	<b>\$134.18</b>	\$86.55	<b>\$60.95</b>	\$91.80	\$97.60	\$98.04
Hardware store	\$58.77	\$32.72	\$49.77	\$39.20	\$48.29	\$43.54

	Bankstown NSW	Playford SA	Greater Shepparton Vic	Logan Qld	Rockhampton Qld	All LGAs
Australia Post	\$149.99	\$109.02	\$90.97	\$86.65	\$125.38	\$110.22
Automotive Repairs	\$87.24	\$54.69	\$71.21	\$60.33	\$63.02	\$63.17
Bakery	\$15.33	[blank]	\$12.28	[blank]	\$11.21	\$11.84
Fruit and vegetables	\$22.06	\$34.61	\$11.56	\$36.73	\$3.00	\$16.41
Motor vehicle registry	[blank]	\$124.35	[blank]	[blank]	\$250.00	\$125.23
Any Activity	\$34.53	\$33.53	\$32.41	\$33.98	\$33.26	\$33.52

**Table 9.14: Use of unregistered machines, by site (per cent of site total)**

Number of unregistered transactions	Bankstown NSW	Playford SA	Greater Shepparton Vic	Logan Qld	Rockhampton Qld	unknown	All LGA
1	23.9	35.6	25.5	29.8	25.2	24.1	28.9
2	11.2	18.2	18.4	22.5	22.1	22.4	20.0
3	16.5	15.0	13.9	14.2	15.2	13.8	14.7
4	11.7	12.6	11.0	10.7	13.1	12.1	11.7
5	7.4	5.9	8.5	7.6	6.8	10.3	7.3
6+	29.3	12.8	22.7	15.2	17.7	17.2	17.4

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