



ANNUAL REPORT

# 2014 – 2015 2015 – 2016

THE NATIONAL VOICE FOR FINANCIAL COUNSELLING



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# 1. INTRODUCTION

## The report

This report covers the years 2014–15 and 2015–16. The 2014 – 15 annual report was not published at the usual time, largely due to the funding uncertainty we experienced during that year. For a time it seemed that FCA would shortly face a real crisis and, in these circumstances, we felt that drafting an annual report was not a priority. In the event, the crisis was averted, but as we note elsewhere in this report, the uncertainty of our government funding remains a serious problem for FCA and other organisations that depend on government support.



## About the case studies in this report

We have inserted a number of case studies throughout this report to illustrate the work that financial counsellors do. They were collected over the past two years from financial counsellors around Australia and demonstrate the devastating impact of financial stress on people and families, and how each situation is different. Though each of these stories is true, we have changed names and some circumstances so people can't be identified.

## Our Role

Financial Counselling Australia (FCA) is the national voice for the financial counselling profession in Australia. We provide resources and support for counsellors, and we advocate for people who are financially vulnerable.

There are now around 800 financial counsellors working in Australia, a reduction due to various State and Federal Government funding cuts from 950 a few years ago. Through their efforts thousands of Australians—individuals and families—are able to get their lives back on track.

Broadly, this is what we do:

- We coordinate the national financial counselling profession, providing tools and resources with the aim of increasing standards and professionalism.
- We act as a communications hub, disseminating information to financial counsellors and financial capability workers across Australia and between industry, government and our sector.
- We coordinate the National Debt Helpline telephone financial counselling service and website [www.ndh.org.au](http://www.ndh.org.au)

- We coordinate training and professional development opportunities for the sector, as well as developing training packages where there is a need for a national approach.
- We support eight state and territory financial counselling associations, particularly those that have no government funding.
- We raise the profile of financial counselling and promote financial literacy.
- We contribute to policy development and public debate through submissions, contact with decision-makers and comment in the media.
- We design and implement defined projects where there is a specific policy objective and unmet need, for example the national prison financial counselling project.
- We run an annual conference, where we bring together key players in industry, government and the financial counselling community to share learning, provide professional development and to stay abreast of new developments.



### Karen and Tom

A financial counsellor working in an Aboriginal community received complaints from Karen and Tom about a door-to-door salesman who had sold them a vacuum-cleaner. They said they hadn't understood that they were entering into a contract, and didn't know why a direct debit was coming out of their bank accounts and attracting dishonour fees.

A financial counsellor investigated the complaints and, in particular, how the salesman had assessed each customer's capacity to pay. It was found that in one afternoon this salesman had signed up 36 people in the community to buy vacuum cleaners at a cost of \$2,000 each.

As a result of the financial counsellor's enquiries, all 36 contracts were waived and any payments already made were refunded. Dishonour fees incurred through the direct debit payment system were also refunded.

The salesman was dismissed and a confirmation letter was sent to all 36 people outlining the contract cancellation and refund options.

The financial counselling intervention resulted in \$72,000 worth of contracts being cancelled and an estimated \$2,000 in finance dishonour fees refunded to an already economically-disadvantaged Indigenous community.

## 2. STRUCTURE AND GOVERNANCE

### 2.1 REPORT FROM THE CHAIR | CARMEL FRANKLIN

If I was to choose a single word to describe FCA's last two years, it would probably be 'unsettling'. Our often-precarious financial position has sometimes threatened to distract us from our proper role.

Despite ongoing funding uncertainty however, FCA has continued to deliver services for the profession and to strengthen its foundations.

#### **Advocacy**

Our advocacy has again seen us punch above our weight. Our exposé of the unethical practices of online sports betting companies, [Duds, Mugs and the A-List: The Impact of Uncontrolled Sports Betting](#), received a lot of media coverage and was influential in convincing the Federal Government to announce a review of the relevant laws. The proposed changes to the regulation of online gambling, including stopping the provision of credit and a national, self-exclusion register, are very welcome.

#### **Profile**

Externally, the profile of financial counselling is much higher than it was a few years ago. We have encouraged this through our interaction with the media and our continuing involvement with industry and government, explaining the role of financial counsellors and the impact of their work.

Over recent years there have been more and more commercial businesses established with the aim of targeting people in financial difficulty—credit repair agencies, debt negotiators, Part IX debt agreement administrators, budgeting services and so on. Many of these are not effective, sometimes leaving people worse off. This reinforces how critical it is that FCA continues to raise the profile of financial counselling and to advocate for adequate funding, particularly from industry through either a levy or voluntary contributions, channelled through a charitable trust.

#### **Increasing access to financial counselling**

An important recent development has been the growth of the national phone financial counselling service (1800 007 007). During the coming year we will re-brand this service as the National Debt Helpline, backed up by a new website. The self-help website will have comprehensive step-by-step guides for common debt problems. People who need more assistance are encouraged to ring a financial counsellor.

## **Funding**

The receipt by FCA of two lump sum payments as part of ASIC enforceable undertakings from a payday lender and an insurance company, was a highlight of 2015–16. Both companies had engaged in conduct that hurt a lot of consumers. These funds provided a much-needed boost to our balance sheet and will enable us to undertake projects we could not otherwise afford. For example, we plan to develop a tool to help financial counsellors assess responsible lending (a very appropriate use in relation to payday lending) and will also overhaul the password-protected website that provides a knowledge base for financial counsellors.

Despite these developments, FCA's financial position remains uncertain. Secure and sustainable funding for FCA and the sector generally continues to be one of the biggest challenges we face. Our government funding increased in 2015–16 and this was very welcome. But as we have seen in the past two years, these grants are never long-term commitments. This is a challenge for most welfare agencies and one solution is longer term commitments from funders. We are however very grateful for the support we receive from the Minister and the Department of Social Services.

## **Governance**

The most important internal development during the last year was securing our members' agreement to change to a two-tier governance structure. There will be a skills-based Board, with three external, skills-based directors and four directors from the financial counselling sector. There will also be a separate Representative Council, with representatives of State and Territory financial counselling bodies. We are confident these changes will improve the way we operate and our ability to help financial counsellors do their jobs.

## **Staff**

Finally, it is a real pleasure to acknowledge the work of our staff. For most of the past two years FCA has been operated by the small but amazingly dedicated team of our CEO, Fiona Guthrie and our Policy and Campaigns Director, Lauren Levin—with part time administrative and IT support from Prue Woods and Anna Dooland. This team has regularly surpassed all reasonable expectations, so I am very pleased that we have recently been able to engage additional staff: Jaque Conley to coordinate training in the sector as well as the National Debt Helpline, Lynda Edwards to support financial capability workers and Rita Battaglin undertaking project management and supporting the Board. My Board colleagues and I offer them our thanks and admiration.

## **A Final Word**

We are looking forward to the next 12 months and will continue to be true to our purpose: to make a difference for financial counsellors and for the many Australians experiencing financial difficulty.

**Carmel Franklin**

*Chair*

I have heard it said that an effective organisation can be likened to a duck gliding across a lake—the passage seems smooth to the observer on the bank, but underneath the duck is paddling furiously. That pretty much sums up how it feels at FCA. We are always paddling furiously trying to keep up with requests for submissions, meetings with industry, organising conferences, lobbying for funding ...

What has made things a bit easier recently, is that from around February 2016, we've had some additional staff. That has made an enormous difference internally allowing us to undertake some work we would not otherwise have done.

For many years there were really just three of us: Lauren Levin, managing policy and campaigns, Prue Woods, our part-time administrator and me. We now have Lynda Edwards, working four days per fortnight to coordinate the financial capability worker community of practice, Jaque Conley coordinating training and professional development for the sector as a whole and Rita Battaglin, who is managing the BSWAT Payment Scheme project (see section 4 below for information). We now have a wall of projects, covered with sticky notes, as we deliver as much as we can of our strategic plan.

We've also really enjoyed moving to new premises—a community hub—in Melbourne in the latter half of 2015. The co-location with the Consumer Action Law Centre and our Victorian colleagues, the Financial and Consumer Rights Council—has unleashed all of the synergies for which we had hoped. Being close to some of the smartest consumer lawyers and consumer advocates in the country is inspiring and we daily enjoy the camaraderie that comes from this.

Modernising FCA's constitution was also a huge internal task. Our State and Territory association members put in hours and hours weighing up various structural options and then iterations of the constitution. Thank you for your patience and good will.

Finally my thanks to the FCA Board for its support. We'll keep paddling.

**Fiona Guthrie**

*Chief Executive Officer*

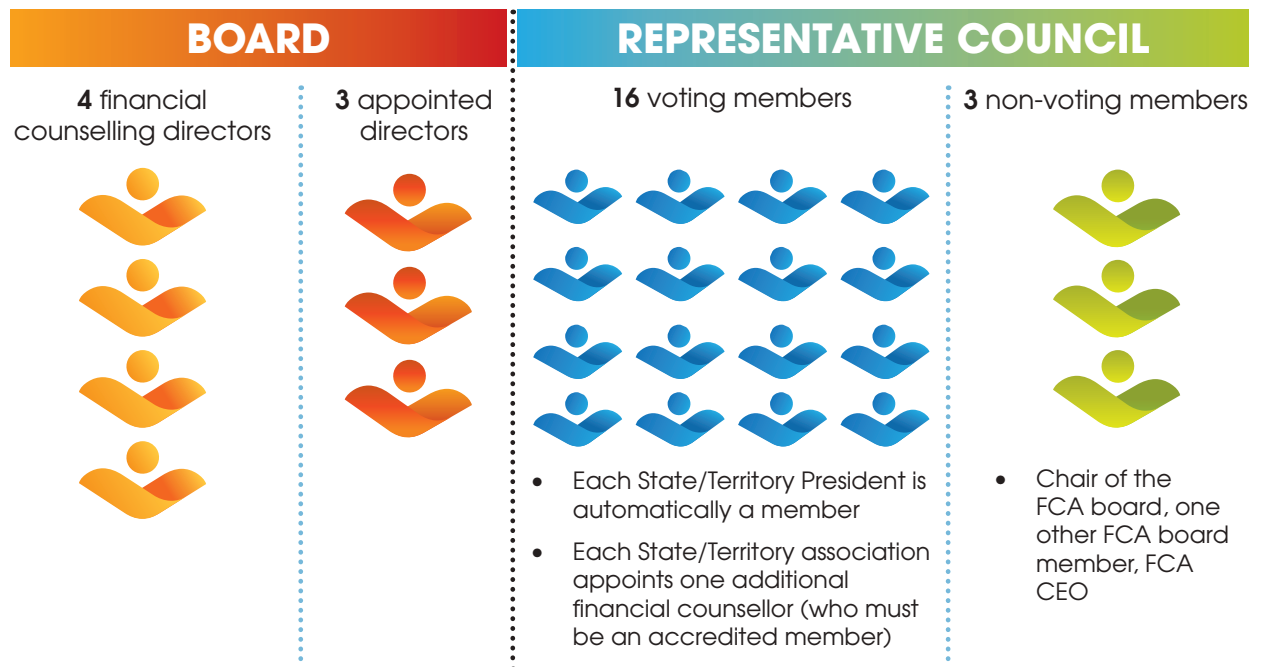
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## NEW GOVERNANCE STRUCTURE

Since its formation around 1985, FCA has been an incorporated association. We are now changing our structure to that of a company limited by guarantee, with a new constitution.

The governance structure is also changing as set out in the diagram below. There will be a dual structure, with a skills-based board and a separate representative council.

The FCA Board has overall responsibility for the financial management of the organisation, its strategic direction and legal compliance. The Representative Council is best placed to consider issues that affect the members of financial counselling associations, particularly those requiring a national approach. The Representative Council will also provide advice to the FCA Board about strategy and policy issues.







### **Carmel Franklin**

*Chair*

*B.Ed., Dip. Community Services (Financial Counselling), Certificate IV Training and Assessment.*

Carmel has been involved with consumer issues for many years. She is the Director of Care Financial Counselling Services and the Consumer Law Centre of the ACT (Care) and has worked with the organisation since 1992. Carmel has been the Chairperson of Financial Counselling Australia (FCA) since 2009.

Carmel is also a consumer director on the board of the Financial Ombudsman Service (FOS) and is also on the board of Canberra Community Law. In addition to these positions, she is a former member of the ATO Individual Tax Liaison Group, ASIC's Consumer Advisory Panel and the FOS Consumer Liaison Group.



### **Kay Dilger**

*Dip. Community Services (Welfare), Dip. Community Services (Financial Counselling), Certificate IV Training and Assessment.*

Kay came to financial counselling in 2003 after a career in retail banking. She is currently Manager of the Financial Resilience Program at South East Community Links in Springvale, Victoria.

Kay has been on the Board of Financial Counselling Australia since 2013, and has been Secretary of Financial & Consumer Rights Council since 2012.



### **John Harte**

*(from February 2016)*

*B.A. (Social Sciences)*

John has worked in the community sector in Western Australia for over 25 years, including roles with services assisting migrants, people caring for dementia sufferers and in child protection. He has been a financial counsellor since 1994, including 10 years coordinating a financial counselling service.

He was the chair of community childcare centre for two years and on the committee of the Financial Counselling Resource Project for 12 years. He is currently on the board of the Financial Counsellors Association of WA



### **Rosalyn Williams**

*(from March 2015)*

*B. Social Science (Social Welfare), Dip. Management, Dip. Community Services (Financial Counselling), Advanced Cert. Community Services (Community Development)*

Rosalyn is currently the Service Manager, Financial Health Services, UnitingCare Wesley Bowden. Previous roles have included policy development, community development, financial counselling and family support.

She is also on the board of the South Australian Financial Counsellors Association and is a member of the Essential Services Policy Advisory Group for the South Australian Council of Social Service and is FCA's representative on ASIC's Consumer Advisory Panel.



### **Jodie Logovik**

*Mental Health First Aid trainer, Diploma of Community Services (Financial Counselling), Diploma of Management, Bachelor of Science (Psychology), Bachelor of Education*

Jodie is currently the program manager for the financial wellbeing program in UnitingCare Community in Queensland. Her prior roles include teaching children in a special education unit for many years and working with clients with mental health issues and with disabilities.

## **2.5**

### **OTHER BOARD MEMBERS DURING THE REPORTING PERIOD**

Phil Powell (Tas)

Fiona Moore (Tas)

Jennifer Black (NT)

Lyn Brailey (NT)

Jim Connolly (NSW)

Judy Egan (NT)

Caroline Hawes (WA)

Marie Resuggan (WA)

Sandra Sallymayer (NSW)

Graham Smith (NSW)

**Fiona Guthrie**

CEO

*BA, LLB, MBA***Lauren Levin**

Director, Policy and Campaigns

*LL.B, Grad. Dip.in Legal Practice, MBA, B.Eco***Anna Dooland**

Financial Counsellor &amp; Sector Support (in 2014 – 16, moving to Policy Advisor role in 2016 – 17)

*BA, Diploma of Community Services (Financial Counselling)***Jaque Conley**

Community Co-ordinator NDH and Professional Development

*B.Ed Hons (Adult/Primary) RMIT, Cert IV Training & Assessment, Grad Dip. (Training and Development), Dip. Frontline Management, RPL/RCC Assessment-Melbourne University*



**Rita Battaglin**

Project Manager (Appointed November 2015)

*BA, Advanced Dip. Management*



**Lynda Edwards**

Coordinator, Financial Capability Community of Practice



**Prue Woods**

Accounts & Payroll

*B.A., Grad Dip Lib Science*



**Hai**

Hai (50 years old) was unable to deal with his creditors. He was referred to a financial counsellor following threats of suicide.

Hai was in imminent danger of losing his house through mortgage default. A financial counsellor negotiated with the bank to set up an affordable repayment plan that would pay off the arrears, and Hai sought to access Total Permanent Disability payments through his superannuation fund. As a result of these arrangements Hai now has an arrangement in place on his credit card, and mortgage payments he can afford.

With the support of his union and ex-employer Hai negotiated an insurance claim. He is no longer at risk of suicide, his self-esteem has increased and health has stabilised.



# 3. WHAT WE DID IN THE PAST TWO YEARS

## 3.1 THE THREE MOST IMPORTANT THINGS

### No 1: Gambling

We helped to shape government policy and community debate about gambling reform, particularly for online sports betting.

In August 2015 we published [Duds, Mugs and A-list: The Impact of Uncontrolled Sports Betting](#) (available on the FCA website). The report, based on the casework experience of financial counsellors, documented a number of unconscionable practices in the online sports-betting industry. These included the virtual 'grooming' of people to gamble, harsh debt-collection practices and irresponsibly offering credit for gambling. The report was launched by Senator Nick Xenophon and led to continuing media interest.

Three weeks after the report was launched, the Federal Government announced a review of the Interactive Gambling Act, led by former NSW Premier, Barry O'Farrell. We engaged extensively with that review, putting together a comprehensive submission as well as a summary of what reforms were needed (see "12 things that need to change", available on the FCA website). In April 2016, we welcomed much of the Government's response to the O'Farrell review. Many of our suggestions have been taken up by the Government including preventing sports betting companies offering credit, establishing a national online self-exclusion scheme and banning in-play betting.

There are however some important gaps: advertising of gambling remains unchecked and fantasy betting, a new form of gambling about to take off in Australia, is not adequately covered. We also want to see the banking industry step up and play its part by stopping the use of credit cards for gambling. A couple of banks already do this and it would be straightforward for the other banks to do the same.

## No 2: Rank the Banks

We continued to work with the banks to improve the way they deal with customers in financial hardship

In April 2015 we released our latest survey on the way banks respond to customers who are facing financial hardship. We asked financial counsellors to rank the big four banks in terms of their hardship policies and practices. The results were encouraging, showing an increase across the board from the 2013 survey (the results from the previous survey are in brackets):

- Westpac 7.0 (5.0)
- NAB 6.7 (6.2)
- ANZ 6.4 (5.9)
- CBA 5.3 (4.4).

While Westpac led, the overall improvement by all four banks is very welcome.

We also asked financial counsellors to rate the big four banks on other factors, including communication, attitude toward clients and financial counsellors, consistency and outcomes. Westpac, ANZ and NAB all received similar ratings. CBA's results were much lower.

Finally, financial counsellors also ranked the smaller financial institutions. These results generally also showed an improvement on the previous survey (2013 figures in brackets), but are lower than those for the 'big four'. We were encouraged that the smaller banks engaged with financial counsellors after the survey and are keen to hear more about what can be changed.

- GE 5.6 (5.7) (now known as Latitude Finance)
- Citibank 5.4 (3.5)
- AMP Bank 5.0 (3.7)
- Bank of Queensland 5.1 (3.9)
- Bendigo and Adelaide Bank 5.4 (4.3)
- Bankwest 4.5 (4.1)
- HSBC 4.7 (4.0)
- ING Direct 4.4 (3.6)
- Macquarie 3.8 (3.1)
- Members Equity Bank 4.5 (4.3)
- MyState 3.8 (not rated in 2013)
- Suncorp 4.9 (3.9).

Overall, these improved results are due to the industry as a whole investing in staff training, streamlining approval processes, reducing documentation and improving information about hardship assistance on websites. One of the most positive changes has been for every bank to have a link on the home page of their websites for people in financial difficulty. Early identification is crucial and this is one of the best ways to encourage that.

We will continue to monitor and report on the banks' performance in this area, with the next survey due in 2017.

### **No 3: Funding**

We campaigned to retain funding for 50 specialist problem gambling positions. In the NT, our advocacy helped in increasing available funding in the Darwin region. There were ups and downs in State funding.

#### **Problem Gambling**

In this reporting period, we worked hard to retain funding for 50 specialist problem gambling positions around Australia, talking to politicians and releasing a report based on the casework experiences of financial counsellors. The report, “**Problem Gambling Financial Counselling: Survey and Case Studies**” described the devastating impact of problem gambling on individuals and families, highlighting the important role of financial counselling in helping people get back on track financially and emotionally.

#### **Northern Territory**

Areas in Australia where income management is in place are funded through a separate budget allocation. We estimated that the tender round for the 18 month period beginning in January 2016 saw funding reduce by around 50% for these regions. The Northern Territory was one area affected, with the amount available for the Darwin region in particular manifestly inadequate. With the support of a number of agencies in the NT, we met with the Minister for Social Services and helped publicise the harm a funding reduction would wreak. The Government, to its credit, divided the region into three smaller areas and increased funding, which made a big difference to service delivery.

#### **Swings and roundabouts in the States**

We also helped our State and Territory association members in their funding campaigns in their own States. There were some wins and losses and sometimes something in between. Western Australia is an example of an “in between”. In May 2015, the Western Australian Government announced that it was completely defunding all of the Perth metropolitan financial counselling services. This came as a complete shock to the sector and resulted in a huge community outcry. The campaign to have these cuts reversed was led by the Financial Counsellors Association of WA, community agencies and financial counsellors in that State. The campaign eventually saw the funding reinstated, but with a 50% reduction. No one has yet given up on having the full funding reinstated.

In Queensland, it looks like there may be a future “win”, with the Queensland Government announcing funding of \$25 million over four years in the 2015 budget for a financial literacy and resilience program. At present, the Queensland Government does not fund a generalist financial counselling program at all, so we are hopeful that some of this funding will result in more financial counsellors.

Victoria was a “win”, with the Victorian peak body for financial counsellors, the Financial and Consumer Rights Council, instrumental in the State Government’s decision to provide an additional \$1.8 million to the sector for 10 specialist family violence financial counselling positions. This type of specialist role is one that we will advocate for in other States.

### **Toolkit Website—a knowledge bank for financial counsellors**

The toolkit website is restricted to financial counsellors and financial capability workers only and is accessed by a password. The site provides tools and resources, as well as the latest news. There was a large increase in the number of financial counsellors accessing the toolkit site between July 2014 and June 2016—from 207 active users to 756 active users. This means that the majority of the sector is now accessing the site.

The most frequently accessed pages are the hardship contacts, the gambling toolkit and the tools and links section which has various checklists and pro forma letters.

#### **Impact**

Having the toolkit website is important in encouraging consistent standards in the financial counselling profession. The website has also enabled the roll out of a National Registration Number system for financial counsellors, providing confidence to external parties that the financial counsellor has met required supervision and professional development standards.

### **National Debt Helpline website—online resources for people experiencing financial difficulty**

With funding from Financial Literacy Australia, we are developing a completely new consumer-facing website for people experiencing financial difficulty. The website will support the financial counselling helpline and be part of that service's rebranding as National Debt Helpline. The call to action on the site is to self-help, using the step-by-step guides and resources or to ring 1800 007 007 to talk to a financial counsellor. The website and the re-branded phone service will be launched in late 2016.

#### **Impact**

This project will increase the profile of financial counselling and we hope drive more people to access financial counselling, rather than payday lenders or for-profit financial difficulty businesses such as credit repair agencies, debt negotiators and Part IX agreement administrators. For-profit financial difficulty businesses charge high set up and ongoing fees and their "solutions" are often not the most appropriate options.



## Industry and Government Liaison Work—influencing hardship practices for the better

We continue to meet with banks, utilities, telcos, insurance companies and debt collectors to discuss their responses to people experiencing financial hardship and other strategic issues. We have also provided policy input to State and national regulators including ASIC and the ACCC as well as ombudsmen schemes and Centrelink. The most significant meetings/initiatives included those with the Australian Bankers Association, the Australian Retail Credit Association and one of Australia's big four banks.

### Impact

This interaction allows the perspective of financial counsellors to be included in policy and regulatory debates. In particular, FCA's input was reflected in SA legislation around gambling, changes to Centrepay policy and a renewed focus on financial hardship by one of Australia's big four banks.

## Business Services Wage Assessment Tool (BSWAT)—assisting a vulnerable client group make decisions

The BSWAT was used by Australian Disability Enterprises to work out the wages of employees with a disability. The Federal Court found that the tool had resulted in underpayment to employees. As a result, the Federal Government set up the BSWAT Payment Scheme to offer one-off payments to eligible employees. Participants are required to access financial counselling in order to accept a payment so that they understand the implications of a lump sum amount.

FCA has an integral role in the roll-out of the scheme. We are doing this by:

- Promoting and publicising the scheme within the sector and encouraging financial counselling agencies to participate
- Delivering information via teleconferences and speaking at meetings and conferences
- Answering questions via a hotline telephone number
- Maintaining a web based Q&A
- Providing regular updates to agency managers
- Delivering regular webinars about how the scheme works, the role of financial counsellors and how to work with people with intellectual impairment
- Developing resources for clients (written in "easy" English suitable for the client group) and for financial counsellors
- Undertaking an evaluation of the role of financial counsellors

### Impact

The involvement of financial counsellors in the scheme will help recipients understand what options are available as a result of receiving lump sum payments. While everyone's situation will be different, those options are broadly to save, spend or pay bills/debts. It is also important that the financial circumstances of participants improve and there are no negative impacts.

## **The National Hardship Register (NHR)—helping people with unrecoverable debt**

We have continued to work with the debt collection industry on this initiative. The NHR helps people who are on very low incomes, have few assets, and cannot pay their debts (what financial counsellors would call “unrecoverable debt”). Once a person has been included on the NHR, debt collection activity stops. So far the process has been quite intensive, with all applications assessed by a committee on a monthly basis (FCA’s CEO is on that committee).

Now that the process has been shown to work, in January 2016, the NHR application process moved to an online portal. For straightforward applications, this means that approvals are provided on the spot, thus saving financial counsellors’ time and relieving pressure on clients.

### **Impact**

While not all debt collectors are involved in the NHR, a substantial number are. This means that a financial counsellor does not have to negotiate separately with individual creditors. The initiative is also important strategically as it sets out agreed standards about how individuals with unrecoverable debt should be treated.

## **Research—contributing to policy development**

Together with Good Shepherd Australia New Zealand and Consumer Action Law Centre, we partnered with researchers from Melbourne Law School in a large-scale empirical study of Australia’s personal insolvency laws. This research is funded by an Australian Research Council Linkage Grant. To date, the research has included surveys of personal insolvents, the general community and professional advocates, including consumer solicitors and financial counsellors from every state and territory in Australia. We have helped to draft and distribute these surveys and have consulted on a number of policy proposals developed by the research team.

### **Impact**

So far, the project has resulted in a number of research reports and scholarly articles, available on the Melbourne Law School website (<http://law.unimelb.edu.au/centres/cclsr/research/major-research-projects/personal-insolvency-project>). Further publications are in progress. This research in turn has helped inform FCA’s own policy development and advocacy.

## Evaluation and Program Logic—critical to the future of the sector

We continue to work on developing the evidence base for the efficacy of financial counselling and financial capability work. Through two specific workshops with representatives of funders and the financial counselling sector, we spent a lot of time in the first part of 2016 in developing program logics for both financial counselling and financial capability work. These in turn will be the foundation of evaluation plans. Our aim is to embed evaluation into the financial counselling process so that we are continually collecting useful data.

### Impact

This work is critical for the sector as funders, financial counsellors and financial counselling agencies need to know what evidence there is that financial counselling works and how.

## Charitable Trust—increasing access to financial counselling

There has been progress towards establishing a charitable trust that could accept voluntary contributions from the many industries that benefit from financial counselling—banks, utilities, telcos, debt collectors and insurance companies. The trust would then provide grants to financial counselling services. We are grateful to the law firm Herbert Smith Freehills, and particularly John Emerson, the relevant partner, for pro bono advice about setting up the trust.

### Impact

The trust has the potential to increase funding for the sector as a whole, thereby dramatically increasing access to services. The trust could also play an active role in improving service delivery through the management of grant agreements.

## FCA Conferences—a national profession

Held in May each year, our annual conference continues to go from strength to strength. For example, 97.8% of the people who completed our 2016 post-conference survey said they would recommend to someone else that they should attend.

The 2015 conference was in Canberra and the 2016 conference in Adelaide. The conference has grown in size year on year with 539 attendees in 2015 and 593 in 2016. The conference brings the profession together to share information, access high-quality professional development and importantly, foster two-way communication with creditors, regulators and external dispute resolution schemes. There is more information about the conference in Appendix iii.

Planning for the 2017 conference is underway. It will be held at the Royal Pines Hotel on the Gold Coast over 16-17 May with pre-conference workshops and forums on 14-15 May, and post-conference events on 18th May (the telephone financial counselling workshop and meeting of the FCA Representative Council).

### Impact

The annual conferences are an important part of the financial counselling profession becoming a more cohesive and national profession, as well as lifting standards through training. There is also no substitute for face-to-face engagement and there

is no doubt that presentations during the conference, and various conversations in the breaks, have positively influenced the way creditors are responding to customers experiencing financial stress.

### **Prison Project—addressing financial and consumer literacy**

With grant funding from Financial Literacy Australia, in January 2016 we began a pilot project to help prisoners when they are first incarcerated. These people often leave prison much worse off financially than when they entered, partly because they are unable to contact creditors and are prevented from managing their financial affairs. The purpose of the project is to investigate what type of intervention would be most effective in fixing this problem. Once we understand this, phase 2 of the project, if further funding is available, would be to pilot the intervention in one or two prisons. Phase 3 would see a much wider roll-out.

The project to date has included obtaining expert advice through separate workshops with prison financial counsellors and service providers working in prisons. We know from these discussions that superficially attractive solutions, such as developing resource kits, would be very unlikely to work and that a more integrated, multi-faceted approach is needed.

#### **Impact**

This project, if phases 2 and 3 proceed, could reduce the number of people leaving prison whose financial position has deteriorated markedly. This has detrimental flow on effects for their post-prison job prospects, families and rehabilitation. Creditors could also benefit if they had information about any customers who were in prison.

### **Sector Newsletter—staying up to date**

The first FCA Update, a newsletter for financial counsellors, was distributed in December 2015. The newsletter comes as an email summarising the articles, with links to the full articles. There were further editions in February and June 2016.

#### **Impact**

The newsletter brings together useful information for financial counsellors and financial capability workers around Australia in the one spot. This means that everyone hears the same things at the same time and contributes to the sector becoming more cohesive.



## The banks rate us—learning from feedback

We asked financial counsellors to “rank the banks” in both 2013 and 2015. In 2016, we took the opposite tack and asked our stakeholders to give us some feedback. Over 60 people from the sectors financial counsellors work with—banks, utilities, telcos, debt collectors, external dispute resolution schemes and government—completed the survey. The results were presented at the May FCA conference and overall were positive, with an assessment of 7.8 out of 10 (where 10 was the maximum).

There are areas however where we could do better, including in written communication and timely responses to requests for further information/phone calls. Overall, we need to work harder to ensure that both we and the creditors we deal with have a realistic understanding of what is reasonably achievable. We will decide next steps with the Representative Council at its first meeting.

### Impact

Asking for feedback from external stakeholders is a sign of maturity for the sector and it will help in driving improvements in practice.

## Representative Complaint—fixing a broken credit reporting system

Led by the Financial Rights Legal Centre, FCA, the Consumer Action Law Centre and the Australian Privacy Foundation, have made a number of representative complaints to the Privacy Commissioner about credit reporting agency Veda and credit reports. The complaints raise concerns about the prominence of the “free” credit report option in comparison to the paid option, the high cost of paid credit reports and that free credit reports do not include a credit score. The complaint also reflects the concerns raised by financial counsellors that when clients request a free credit report, they are contacted by Veda who then try and sell them a more expensive report.

### Impact

If successful, this complaint would improve the credit reporting system. Millions of Australians have a credit record with Veda.

## Month by Month Highlights

2014	
July	<ul style="list-style-type: none"> <li>■ FCA is in Canberra talking to politicians about why it is bad idea to introduce a fee to go bankrupt (this is later dropped by the government)</li> <li>■ Department of Social Services extends FCA's funding until 31st December 2016</li> </ul>
August	<ul style="list-style-type: none"> <li>■ Agency Practice Standards finalised</li> <li>■ Financial counsellors are recognised in the MoneySmart Week awards</li> </ul>
September	<ul style="list-style-type: none"> <li>■ FCA leads benchmarking exercise for the phone financial counselling services, visiting the ANZ contact centre in Melbourne and Victoria Legal Aid</li> </ul>
November	<ul style="list-style-type: none"> <li>■ Meeting with the new Minister for Social Services, Christian Porter.</li> <li>■ Grant from Financial Literacy Australia to develop a website for the National Debt Helpline</li> </ul>
December	<ul style="list-style-type: none"> <li>■ Grant from the Department of Social Security not renewed. FCA given two months, until the end of February 2015 to manage closure</li> <li>■ KPMG agrees to work on a pro bono basis in developing a business case to explore funding from industry for the financial counselling sector (through a charitable trust as the distribution vehicle)</li> <li>■ Completion of practice note for financial counsellors about the ASIC/ACCC Debt Collection Guidelines.</li> </ul>
2015	
January	<ul style="list-style-type: none"> <li>■ DSS grant reinstated for four months. FCA is now funded to 30 June 2015.</li> </ul>
February	<ul style="list-style-type: none"> <li>■ Energy company AGL consulting with financial counsellors about their “affordability commitment”</li> <li>■ FCA distributes information about “how to close down a financial counselling service” to agencies (as a number had been de-funded in the 2014 tenders)</li> </ul>
March	<ul style="list-style-type: none"> <li>■ ABC 4 Corners produces a report highly critical of the payday lending industry. The report includes film of a meeting of financial counsellors discussing their casework experience of payday lending and an interview with FCA's CEO.</li> </ul>
April	<ul style="list-style-type: none"> <li>■ FCA appears at Senate Community Affairs Reference Committee inquiry into DSS tenders.</li> </ul>
May	<ul style="list-style-type: none"> <li>■ Over 500 people attend FCA's annual conference in Canberra. Minister for Social Security, Scott Morrison, announces Commonwealth Government funding for FCA of \$500,000 per annum over two years.</li> <li>■ Rate the Banks 2015 is released. The results show across-the-board increases in the ratings for all banks.</li> <li>■ Very productive meeting between banks and financial counsellors</li> <li>■ WA Government axes funding for metropolitan-based financial counselling services</li> </ul>
July	<ul style="list-style-type: none"> <li>■ NSW Government announces that funding for financial counselling organisations in that state will be extended for just three months, not (as had been promised) for three years. A month later the Government announces that three-year funding will in fact continue.</li> <li>■ Queensland state budget includes funding for Financial Resilience Action Plans—we assume this may extend to financial counselling.</li> </ul>
August	<ul style="list-style-type: none"> <li>■ FCA Report, <i>Dugs, Mugs and the A List: the Impact of Uncontrolled Sports Betting</i>, launched by Senator Nick Xenophon at Parliament House Canberra.</li> </ul>

September	<ul style="list-style-type: none"> <li>Westpac decides it will no longer fund payday lenders. This is a very good outcome for consumers and their advocates.</li> </ul>
October	<ul style="list-style-type: none"> <li>Meeting with the new Minister for Social Services, Christian Porter.</li> </ul>
November	<ul style="list-style-type: none"> <li>Federal Government does not continue funding for the Translating and Interpreting Service used by financial counselling services in areas with large numbers of people whose first language is other than English</li> </ul>
December	<ul style="list-style-type: none"> <li>State and Territory financial counselling association chairs provide 'in principle' support for a new governance structure for FCA</li> </ul>
<b>2016</b>	
January	<ul style="list-style-type: none"> <li>Meeting with Queensland Minister for Communities, Shannon Fentiman re Queensland funding</li> </ul>
February	<ul style="list-style-type: none"> <li>FCA makes two important, and 'first ever' appointments: a National Training Co-ordinator, (Jaque Conley) and a Co-ordinator, Financial Capability Worker Community of Practice (Lynda Edwards)</li> </ul>
March	<ul style="list-style-type: none"> <li>FCA receives \$500,000 arising from an ASIC enforceable undertaking from an insurance company that had engaged in misleading and deceptive practices. The Board has set this aside for specific projects—to be determined as part of the strategic planning process.</li> <li>Meeting with Telecommunications Industry Ombudsman, telecommunication companies and other consumer organisations to update the Telecommunications Hardship Framework.</li> </ul>
April	<ul style="list-style-type: none"> <li>FCA Board provides 'in principle' approval to spend a portion of the one-off funds from the enforceable undertaking on upgrading the toolkit website (password protected website for financial counsellors) and re-drafting the financial counselling units in the Diploma of Financial Counselling (which is out of date)</li> <li>FCA delivers first webinars (about the BSWAT Payment Scheme)</li> </ul>
May	<ul style="list-style-type: none"> <li>Over 600 people attend FCA's annual conference in Adelaide. Minister Alan Tudge is the keynote speaker.</li> <li>Federal government continues funding for 50 specialist problem gambling financial counsellors for 12 months.</li> </ul>
June	<ul style="list-style-type: none"> <li>Betty Weule receives an AM in the Queens Birthday honours</li> </ul>



*Betty speaking at conference*

In June 2016 our much-loved colleague, Betty Weule, was awarded a Medal in the Order of Australia 'for significant services to social welfare, through the development of financial counselling services in New South Wales.'

For some days we all walked a little taller.

To our knowledge, this is the first time the Australian honours system has included an award that mentions financial counselling. This is not surprising as, over a 40 year career, Betty has been responsible for a number of 'firsts'. In 1976 she founded the first financial counselling service in NSW. In 1981 she set up the first telephone financial counselling service. She was a founding member of the Financial Counsellors Association of NSW, and the peak body for financial counsellors (now FCA).

In her keynote address to the 2016 annual conference Betty pointed out how much the profession has grown. She reminded us that the first conference in 1982 was attended by a handful of people in a church hall near Sydney, while at a later event in Canberra:

*'I recall that accommodation was a problem as everyone had paid their own expenses. We brought our sleeping bags and slept on the floor. On one occasion we found a nunnery which offered us a deal of \$10/night with food. We thought we were in clover, but the problem was that they insisted on lights out at 9.30. And of course this was a big problem for financial counsellors, who as you know, like to talk all night.'*

She also reminded us of the importance of being willing to take a stand when vulnerable consumers are being ripped off:

*'Older members will remember the famous AVCO dump. When their customers defaulted on their loans, AVCO used to have claims over all their household goods. So they would just load up a truck and take the whole lot to the local dump.'*

*To draw attention to this, in NSW we arranged a stunt where we took prams and wheelbarrows full of old household stuff to the steps of parliament and just dumped it there. In Victoria when they did it, they set theirs alight!*



*It was great publicity—and it worked! AVCO were forced to stop the practise.'*

Finally, she urged us to maintain perspective over our current funding problems:

*'Today we've been told we have an uncertain future, that we're facing a crisis. But no, we're facing a hiccup—and we've always faced hiccups. We'll get through these just as we always have. What we have to do is maintain our passion, creativity and determination.'*

*And we need to keep caring about our clients. Because that's what's at the heart of our work—we care about our clients.'*



### Charlotte

Charlotte is a mother of two children (aged nine and six). She has separated from her husband and there is a history of domestic violence. She works part-time and lives in public housing.

When she ended her relationship Charlotte was unable to afford the rent. By the time she saw a financial counsellor her rent arrears were \$3,800 and she was at serious risk of eviction. On top of this, Charlotte had old phone and credit card accounts with a debt collection agency. Two payday loans and a car loan were in arrears.

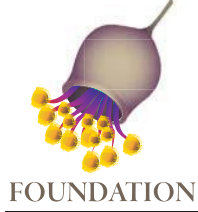
Working with Charlotte, a financial counsellor established that her budget had a deficit of \$260 per fortnight. They also found that the public housing authority had wrongly assumed that she was receiving child support. Also, her employer had been deducting excessive income tax.

Once these errors had been corrected, Charlotte's net income increased by \$170 per fortnight. Her rent arrears were reduced, and she received a tax refund of \$2,800. She was able to buy some items for the children, made lump sum payments towards the rent and car loan and made full and final settlement offers for the old debts (receiving a 75% discount).

Finally, the financial counsellor referred Charlotte to a women's support program to access counselling and support services to deal with her domestic violence trauma. Charlotte says she feels more in control and is less stressed.

## 4. JAN PENTLAND FOUNDATION

JAN PENTLAND



FOUNDATION

The Jan Pentland Foundation honours a former Chair of FCA, Jan Pentland, who died in tragic circumstances in 2009. The Foundation focuses on financial counselling, the field to which Jan contributed so much, offering an annual scholarship to enable one or more people to study financial counselling or a related field.

In 2016 Eleanor Mason received a scholarship. Eleanor's story is a wonderful illustration of how the scholarship makes a difference and what inspires people to take up financial counselling as a profession.

### Eleanor Mason



*"When I applied for the Jan Pentland Scholarship I had been working for a short time as a financial counsellor at The Salvation Army in Geelong. I had achieved some successes which I valued highly, but it was truly amazing to be validated by my peers.*

*Like others in this profession, I had become disillusioned with the business sector. Previously I had been a financial journalist for Personal Investor Magazine and Business Review Weekly and a property valuer for banks and local government. I had a business degree in property investment/valuations and a diploma in welfare.*

*In 2015 I attended a financial counselling course information session in Melbourne. But I felt unsure. Moving to this profession would mean a pay cut, TAFE fees and funding uncertainties. I had two children, a cocker spaniel and a greyhound to support, and I wondered if I was doing the right thing for our future. Then Bernadette Pasco spoke to the group, and I was inspired. I knew I had to be part of this, so I launched myself into student debt.*

*And then I won the Jan Pentland Scholarship. The \$5,000 cleared my higher education deferred fees.*

*I have had some wonderful mentors: Robyn Shepherd-Murdoch who announced straight up; 'It's not a job, it's a passion!'; Delia Rickard who, at the 2016 Annual Conference, said that we are the most important industry; financial counselling doyen Betty Weule who reminded us that we completely transform people's lives; and Fiona Guthrie who said we must never give up hope.*

*I want to thank these and many other people: including Matt Angell from Credit Corp who put me at ease during the Scholarship presentation, and next day captivated a room full of financial counsellors with his touching speech.*

*My sense of social justice extends from human to non-human animals. I am passionate about animal welfare and spend my spare time advocating for animal rights. I urge everybody to learn more about the treatment of animals in agriculture.*

*To me the sky is the limit, and I will continue to promote social justice for humans and animals. As I said in my acceptance speech, financial counsellors rule the world (and if they don't, they should)."*

## Scholarship winners

2015—Shae Skinner, John Gilmour, Karyn Hicks, Shyam Banjade

2016—John Harmer, Mary Pallis, Joyleen Monsoor, Carmel Devine, Eleanor Mason

For more information about the Foundation see [www.janpentlandfoundation.org](http://www.janpentlandfoundation.org)



### Maria

Maria is a single parent with two children. She was retrenched from her job nearly a year ago, the first time that she has been out of work. Since losing her job she has applied unsuccessfully for many positions. She had thought that getting another job would be easy and her failure to find employment has caused her considerable stress.

Maria was up to date on her rent (though this was difficult), but her electricity account was in arrears and her credit card balance was over the \$20,000 limit. She had used all her savings on living expenses, and could not meet these commitments.

A financial counsellor worked with Maria to request a period of no payments on the credit card, and a freeze on interest fees and charges. A six month moratorium was obtained and interest and charges were frozen during this time. A support letter was provided to Maria's energy company requesting a reduced repayment plan for the electricity arrears. This was accepted. Maria was referred to support services including a tenancy service, food bank, emergency relief providers and provided with a support letter for an application to public housing.

She is now on the waiting list for public housing, and in the meantime has moved in with a family member to share the rent and reduce housing costs.

# 5. FINANCIAL CAPABILITY WORKERS

## 5.1 FINANCIAL CAPABILITY WORKERS—A NEW ROLE



The 2014-15 funding tender from the Department of Social Services, under the banner of “Financial Wellbeing and Capability” introduced a new role to the sector—that of financial capability worker. Financial capability workers deliver financial literacy education, information and coaching and work with individuals, families or small groups.

For a number of years, financial counsellors had worked collaboratively with “money management workers” who had very similar roles, but their focus was on assisting Aboriginal and Torres Strait Islander people living in rural or remote communities. The 2014 – 15 tender therefore was a new approach, broadening financial literacy interventions to the wider Australian community. Organisations responding to the Department’s tender could decide what proportion of their services would be allocated to financial counselling or financial capability.

FCA’s funding contract with the Department required us to provide support and resources to these people, and we warmly welcome them to the sector.

### **What has FCA been doing to support financial capability workers?**

We have appointed Lynda Edwards as the central contact point for financial capability workers within FCA. Lynda has established a Community of Practice for financial capability workers, so that this group can share information and learn from each other. FCA will as needs emerge, develop new resources for these workers as well as non-accredited training.

The 2016 FCA conference included specific sessions for financial capability workers. There was a “get to know you” breakfast and two concurrent workshops focusing on financial capability work.

We have also developed a one-page summary explaining role clarity between financial counsellors and financial capability workers and some information about basic bank accounts.

## How many financial capability workers are there?

One of the first things we did was to contact agencies to find out how many financial capability workers there were and how they were responding to the needs of their communities. The picture that emerged showed:

- there are about 70 – 75 people (possibly a couple more with unfilled positions) whose job description has “financial capability worker”
- the number of full time employees is about 45 positions
- the majority of workers are part-time (50 or so) and there are far fewer full-time workers (20 or so). The full-time roles are mainly in organisations servicing Indigenous communities
- there are 40 or so financial capability workers in organisations focusing on Indigenous communities (including Darwin) and the rest, 30 or so, are in generalist services.

## A practical example: Salvation Army and MoneyCare

Robyn Underwood of the Salvation Army's MoneyCare provided this story for the first financial capability worker newsletter.

The Salvation Army's Moneycare have delivered many financial literacy workshops around the Territory but one recently stood out with 20+ participants in Cairns. This was very exciting given the program only commenced just over a year ago. We know the size of a workshop is not the only indicator of its success.

Even in a small group, if just one participant takes away one piece of information or one new skill that is a fantastic result.

Financial Capability Worker, Fiona Oliver delivered the workshop using the Salvation Army resource 'You're The Boss'. Each attendee received a goodie bag of information, including a Moneycare pen and a piggybank to go with their workbook. A great afternoon was had by all. Feedback forms had comments such as: “I've been thinking about what you said”.....and Fiona's favourite... “is that a want or a need” followed by much laughter.



### Lynette

Lynette was about to be evicted from her accommodation. She has a terminal illness and her bank had refused her request for hardship assistance. She had tried unsuccessfully to resolve her dispute with her creditor. She had been paying her debt rather than purchasing medication or attending medical appointments.

After a financial counsellor had made representations on her behalf, Lynette's debt was waived within 24 hours, with no adverse credit listing. This enabled her to avoid eviction and to obtain medical treatment without fearing harassment from debt collectors.

## 6. NATIONAL DEBT HELPLINE (1800 007 007)



FCA coordinates the national phone financial counselling service operating under the 1800 007 007 phone number. The service is delivered by a separate organisation in each State and Territory.

One of FCA's major projects has been to develop a website to complement and support the phone service. The launch of the website will also coincide with a new name for the phone service, which will be re-branded as the National Debt Helpline.

### Why is this important?

One of the biggest drivers for launching the new name for the phone service—National Debt Helpline—and the supporting website is to increase the profile of financial counselling and give people in financial difficulty more options. The call to action on the website is two-fold—either use the step-by-step guides and tools on the website to self-help, or if people need more guidance, to ring the National Debt Helpline and speak to a financial counsellor.

The website will encourage early action and contact with financial counselling. In turn, this could reduce the numbers of people who end up with payday lenders, credit repair agencies or debt agreement administrators. While ASIC's MoneySmart website has some excellent information about financial difficulty, there is no one website with the depth and breadth of information that will sit on the National Debt Helpline site.

We are proud of the website. It has taken us well over 12 months to build and has 80 pages of content. While that might sound daunting, it is anything but: the information is structured in step by step guides and includes videos and lots of tips.

We are grateful to Financial Literacy Australia for funding the development of the website.

### Launch date

The new name and website launch are planned for December 2016. We'll be tracking the underlying metrics for the website and are expecting more and more people will access the information on it.



## 7. LOOKING TO THE FUTURE

The coming financial year, 2016 – 17 will see FCA continue to implement its current strategic plan.

Our focus will be on:

- setting up a charitable trust—the Financial Counselling Foundation. The purpose of the Foundation will be to accept voluntary industry contributions. This trust has the potential to increase funding for the financial counselling sector;
- promoting the National Debt Helpline phone financial counselling service and website (see section 6 above)
- re-developing and re-structuring the toolkit website (the password protected website for financial counsellors)
- developing training for financial counsellors and financial capability workers about assisting clients affected by family violence
- subject to funding, implementing the second phase of our prison project. This will involve producing videos and written materials for prisoners and key staff working in prisons, explaining how to address financial issues so that prisoners' financial positions do not deteriorate while in prison
- developing a series of online training modules and webinars for the sector about relevant work-related topics, for example, bankruptcy, helping clients to reduce energy bills. Online training will allow workers in rural and remote areas to also access training more easily and provide a knowledge bank for the future
- re-writing the four financial counselling units in the new Diploma of Financial Counselling to reflect the new requirements. The re-write will include written materials as well as an online component.

Together these projects address some of the continuing external and internal challenges for the financial counselling sector. Externally, the charitable trust has the potential to diversify and increase funding sources. New funding, together with a higher profile for the National Debt Helpline will also go some way to curtailing the growth of 'for-profit' financial difficulty businesses. And internally, we need to continue to lift the skills of financial counsellors and financial capability workers and their access to high-quality resources. It should be a big year.

# 8. APPENDICES

## 8.1 FCA MEMBER ORGANISATIONS

### **Financial Counselling Tasmania**

PO Box 4676  
Hobart Tas 7000  
Phone: [\(03\) 6213 3549](tel:(03)62133549)

### **Financial and Consumer Rights Council**

6/179 Queen Street  
Melbourne VIC 3000  
Phone: [\(03\) 9663 2000](tel:(03)96632000)  
Web: [www.fcrc.org.au](http://www.fcrc.org.au)

### **Financial Counsellors Association of New South Wales**

Suite 114  
410 Elizabeth St  
Surry Hills NSW 2010  
Phone: [1300 914 408](tel:1300914408)  
Web: [www.fcan.com.au](http://www.fcan.com.au)

### **Financial Counsellors Association of Queensland**

PO Box 271  
Fortitude Valley Qld 4006  
Web: [www.fcaq.com.au](http://www.fcaq.com.au)

### **Money Workers Association of the NT**

Web: [www.mwant.com.au](http://www.mwant.com.au)

### **Financial Counsellors ACT**

Phone: [\(02\) 6257 1788](tel:(02)62571788)

### **Financial Counsellors Association of Western Australia**

33 Moore St  
East Perth WA  
Phone: [08 9325 1617](tel:0893251617)  
Web: [www.financialcounsellors.org](http://www.financialcounsellors.org)

### **South Australian Financial Counsellors' Association**

PO Box 988  
Adelaide SA 5001  
Web: [www.safca.org.au](http://www.safca.org.au)

### **Financial Counselling Tasmania**

PO Box 4676  
Hobart Tas 7001  
Web: [www.financialcounsellingtasmania.org.au](http://www.financialcounsellingtasmania.org.au)

An outline of both conferences is below.

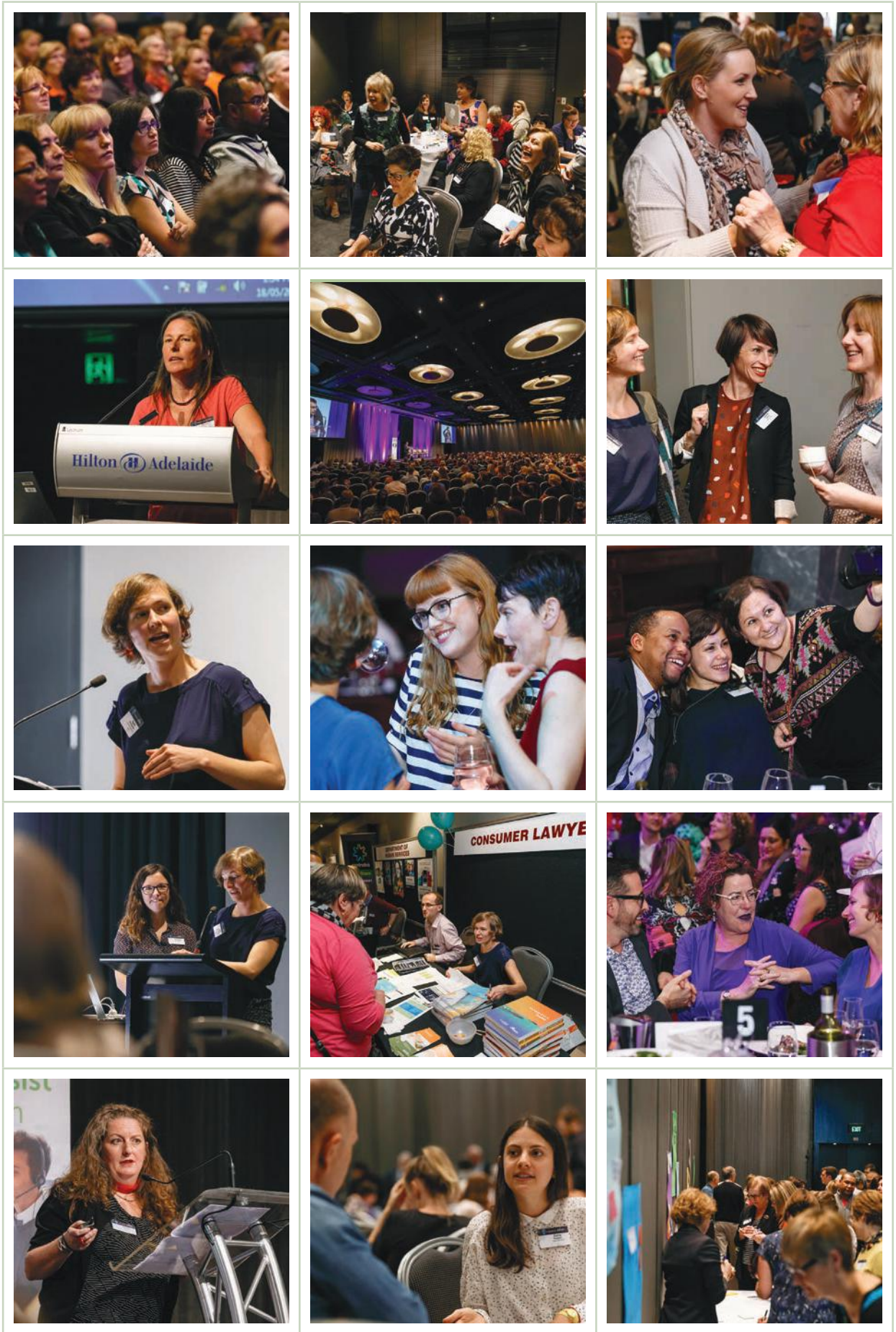
	2015	2016
<b>Venue</b>	<ul style="list-style-type: none"> <li>■ Canberra</li> </ul>	<ul style="list-style-type: none"> <li>■ Adelaide</li> </ul>
<b>Number attending various events</b>	<ul style="list-style-type: none"> <li>■ 539</li> </ul>	<ul style="list-style-type: none"> <li>■ 593</li> </ul>
<b>Events those assisting Aboriginal and Torres Strait Islander clients</b>	<ul style="list-style-type: none"> <li>■ Pre-conference:</li> <li>■ EDR1 Yarning Circle (3 hours)</li> <li>■ Aboriginal and Torres Strait Islander Forum (all day)</li> </ul>	<ul style="list-style-type: none"> <li>■ Pre-conference:</li> <li>■ EDR2 Yarning Circle (3 hours)</li> <li>■ Aboriginal and Torres Strait Islander Forum (all day)</li> </ul>
<b>Financial capability workers</b>	<ul style="list-style-type: none"> <li>■ Concurrent workshop</li> </ul>	<ul style="list-style-type: none"> <li>■ “Get to know you” breakfast on day 1 of the conference</li> <li>■ Two dedicated concurrent workshops</li> </ul>
<b>Pre-conference Twilight Forums (3 pm – 6 pm)</b>	<ul style="list-style-type: none"> <li>■ EDR Forum (sponsored by the EDR schemes)</li> <li>■ Financial Counselling and Small Business</li> </ul>	<ul style="list-style-type: none"> <li>■ EDR Forum (sponsored by the EDR schemes)</li> <li>■ Program Logic</li> </ul>
<b>Other pre-conference events</b>	<ul style="list-style-type: none"> <li>■ Sector Leaders Forum</li> <li>■ Agency Managers meeting (2 hours)</li> <li>■ Training Managers meeting</li> </ul>	<ul style="list-style-type: none"> <li>■ Sector Leaders Forum</li> <li>■ Agency Managers meeting (5 hours + dinner)</li> <li>■ Training Managers</li> </ul>
<b>FCA Conference keynote addresses</b>	<ul style="list-style-type: none"> <li>■ Celebrating 30 Years</li> <li>■ Hon. Scott Morrison, Minister for Social Services (Opening Address)</li> <li>■ David Tennant, former Chair of FCA and CEO of Shepparton FamilyCare (A 30 year journey)</li> <li>■ Chi Chi Wu, National Consumer Law Centre, Boston, USA (via video link) (Comprehensive Credit Reporting: How to Avoid What Happened in the USA)</li> <li>■ Dr Andrew Leigh, Shadow Assistance Treasurer (Teaching People to Swim in Rough Waters: Is this the Best we can Do?)</li> <li>■ Senator Nick Xenophon (Politics, Passion and Making a Difference)</li> <li>■ Professor David Forbes (Protecting Yourself from Vicarious Trauma)</li> </ul>	<ul style="list-style-type: none"> <li>■ A Wealth of Ideas</li> <li>■ His Excellency, the Honourable Hieu Van Le, Governor South Australia</li> <li>■ Hon. Alan Tudge, Minister for Human Services (Conference Opening)</li> <li>■ Delia Rickard, Deputy Chair ACCC and Peter Kell, Deputy Chair ASIC (A Regulator Duet)</li> <li>■ John Schumann, OAM and Dr Nick Ford (Trauma, PTSS and “I Was Only 19”)</li> <li>■ Rosie Batty, 2015 Australian of the Year (Family Violence, Economic Abuse and Financial Counselling)</li> </ul>

<p><b>Concurrent workshops</b></p>	<ul style="list-style-type: none"> <li>■ Credit Law Refresher</li> <li>■ Working with Different Cultures</li> <li>■ Its Super</li> <li>■ Flexing our Thinking—a Whole Brain Approach</li> <li>■ Put Your Case in Writing</li> <li>■ Media Management</li> <li>■ Bankruptcy</li> <li>■ How to be More Productive</li> <li>■ Prison Financial Counselling</li> <li>■ Zen and the Art of Casework</li> <li>■ How to be a Better Presenter—in a Brain Friendly Way</li> <li>■ Financial Capability Workers—Skills and Tools</li> <li>■ Gambling Financial Counselling</li> </ul>	<ul style="list-style-type: none"> <li>■ Consumer and Credit Law</li> <li>■ Working with People with Impaired Capacity</li> <li>■ Family Violence Financial Counselling</li> <li>■ Death, Dying, Grief and Creditors</li> <li>■ Colour Profiles</li> <li>■ Dealing with the Media</li> <li>■ Getting Things Done</li> <li>■ Financial Capability Workers (parts 1 and 2)</li> <li>■ Victims of Crime</li> <li>■ Non-Violent Communication</li> <li>■ Bankruptcy: the Nooks and Crannies</li> <li>■ Delivering Messages with Impact</li> </ul>
<p><b>Jan Pentland Dinner</b></p>	<ul style="list-style-type: none"> <li>■ 370 attendees</li> <li>■ Held at the Australian War Memorial</li> </ul>	<ul style="list-style-type: none"> <li>■ 377 attendees</li> <li>■ Held at the Adelaide Town Hall</li> </ul>
<p><b>Post-conference events</b></p>	<ul style="list-style-type: none"> <li>■ Stay Another Day Walking Tour</li> <li>■ Bank operational meeting (with financial counsellors)</li> </ul>	<ul style="list-style-type: none"> <li>■ Stay Another Day Walking Tour</li> <li>■ Telephone financial counselling workshop (for 1800 007 007 workers)</li> </ul>

### 8.3 CONFERENCE SNAPSHOTS FROM ADELAIDE 2016











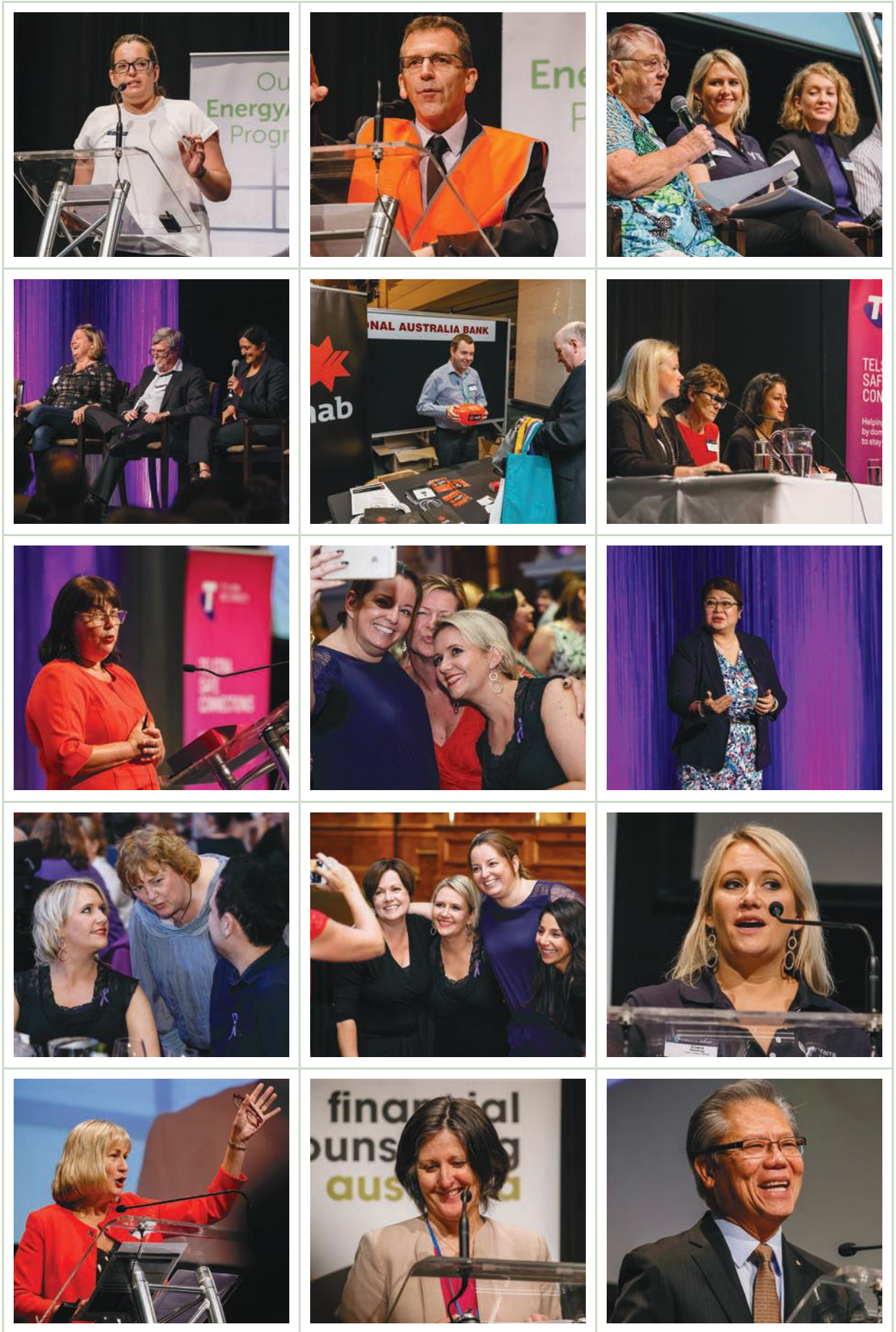


















### Sam and Rhonda

Sam and Rhonda are a husband and wife in their 60s. Both work full-time in low-paying jobs. They had a mortgage of \$480,000 and unsecured debt of \$180,000. For the past six years they have been supplementing their income with credit cards. Now they had reached a crisis.

At first Sam and Rhonda thought they should go bankrupt, but a financial counsellor confirmed they had some equity in their property. So after numerous meetings and discussions the couple decided that to sell it. The financial counsellor contacted their creditors in regard to their unsecured debts and was able to negotiate an undertaking that they would take no further action until the property was sold. Once this had happened Sam and Rhonda used some of the proceeds to commit to a rental property. They also bought some essential items they had been going without.

Over the following 16 months the financial counsellor continued to negotiate with the creditors, and eventually offers were made and accepted.

Sam and Rhonda are happy that they did not go bankrupt. They are now debt-free and ready to start the next chapter of their lives.

## 8.4

## SUBMISSIONS

June 2016	<ul style="list-style-type: none"> <li>■ Treasury—Response to the Proposals Paper: Improving Bankruptcy and Insolvency Laws</li> <li>■ Treasury—Credit Cards: Improving Consumer Outcomes and Enhancing Competition</li> <li>■ Australian Energy Regulator—Consultation on the Minimum Disconnection Amount</li> <li>■ Treasury—Review of Federal Consumer Law</li> </ul>
March 2016	<ul style="list-style-type: none"> <li>■ Telecommunications Industry Ombudsman—re the TIO funding model</li> <li>■ Department of Human Services—Why a Dedicated Helpline in Centrelink for Financial Counsellors Makes Sense</li> <li>■ Article in the Australian Financial Review—“Culture is the New Black”</li> <li>■ Senate Environment and Communications Committee—Sports betting reform Bill inquiry</li> </ul>
February 2016	<ul style="list-style-type: none"> <li>■ Treasury—Pre-Budget Submission to the Federal Government: Funding of Financial Counselling Makes Sense</li> </ul>
October 2015	<ul style="list-style-type: none"> <li>■ Treasury—Proposed Industry Funding Model for the Australian Securities and Investments Commission’ consultation</li> </ul>
September 2015	<ul style="list-style-type: none"> <li>■ Senate Standing Committee on Community Affairs—Inquiry into the legislation re the proposed Debit Card Trial</li> </ul>
August 2015	<ul style="list-style-type: none"> <li>■ Senate Standing Committee on Economics—Inquiry into Matters Relating to Credit Card Interest Rates</li> </ul>
April 2015	<ul style="list-style-type: none"> <li>■ Impact on Service Quality, Efficiency and Sustainability of Recent Commonwealth Community Service Tendering Processes by the Department of Social Services</li> </ul>
February 2015	<ul style="list-style-type: none"> <li>■ Treasury—2015 Pre-Budget Submission—Support for the continued funding of financial counselling</li> </ul>
January 2015	<ul style="list-style-type: none"> <li>■ ASIC—re electronic disclosure</li> </ul>

## 8.5

## REPORTS

April 2016	<ul style="list-style-type: none"> <li>■ Problem Gambling Financial Counselling: Survey and Case Studies</li> </ul>
August 2015	<ul style="list-style-type: none"> <li>■ Duds, Mugs and the A-List: the Impact of Uncontrolled Sports Betting</li> </ul>
April 2015	<ul style="list-style-type: none"> <li>■ Rank the Banks 2015</li> </ul>



## 8.6

## PRESENTATIONS\*

May 2016	<ul style="list-style-type: none"> <li>■ FCA Conference</li> </ul>
April 2016	<ul style="list-style-type: none"> <li>■ Guest lecture for Melbourne University “Street Finance” students</li> <li>■ Meeting of financial counsellors in the Hunter Valley, NSW</li> </ul>
March 2016	<ul style="list-style-type: none"> <li>■ ASIC Annual Forum—plenary panel on “Does Culture Matter”</li> <li>■ ACCC National Consumer Congress Panel Presentation—Vulnerable consumers panel discussion</li> <li>■ Financial Counsellors Association of Queensland: Presentation on online sports betting policy issues (Lauren Levin), FCA update (Fiona Guthrie) and BSWAT Payment Scheme (Rita Battaglin)</li> </ul>
October 2015	<ul style="list-style-type: none"> <li>■ Financial Counselling Tasmania annual conference, Launceston</li> <li>■ Financial Counsellors Association of WA—annual conference, Perth</li> <li>■ Anglicare problem gambling workshop, Darwin</li> <li>■ Utilities Forum organized by Dun &amp; Bradstreet</li> <li>■ Institute of Public Administration—Public Sector Regulators Forum (panel session re vulnerable consumers and the shared economy)</li> </ul>
September 2015	<ul style="list-style-type: none"> <li>■ Appearance before a Senate Economics Committee considering whether a ‘last resort compensation scheme’ should be available in the financial planning industry</li> <li>■ Australian Consumer Communications Action Network—annual conference, Sydney</li> <li>■ Financial and Consumer Rights Council—annual conference, Torquay Vic</li> <li>■ Financial Counsellors Association of NSW—annual conference, Dubbo</li> </ul>
August 2015	<ul style="list-style-type: none"> <li>■ South Australian Financial Counselling Association—FCA Update</li> </ul>
June 2015	<ul style="list-style-type: none"> <li>■ NILS conference (No Interest Loans Scheme)—annual conference—panel on payday lending</li> </ul>
May 2015	<ul style="list-style-type: none"> <li>■ FCA Conference</li> </ul>
April 2015	<ul style="list-style-type: none"> <li>■ Australian Collectors and Debt Buyers Association—annual conference</li> <li>■ South Australian Council of Social Service—conference on utility and telco hardship</li> </ul>
November 2014	<ul style="list-style-type: none"> <li>■ Australian Financial Inclusion Network re Churchill Fellowship</li> </ul>
September 2014	<ul style="list-style-type: none"> <li>■ ACCAN conference—facilitated the panel discussion on hardship</li> <li>■ Financial Counsellors Association of NSW—FCA Update (Carmel Franklin and Fiona Guthrie)</li> <li>■ Financial and Consumer Rights Council—annual conference</li> </ul>
August 2014	<ul style="list-style-type: none"> <li>■ Money Workers Association of the NT (annual conference in Alice Springs)</li> </ul>

*\*Presentations were all given by FCA’s CEO, unless otherwise indicated.*

## Media releases

<b>June 2016</b>	<ul style="list-style-type: none"> <li>■ Congratulations Betty Weule, AM</li> <li>■ Bet365 Loses and ACCC wins—Online gambling companies cannot ignore Australia's consumer protection laws</li> </ul>
<b>May 2016</b>	<ul style="list-style-type: none"> <li>■ Financial Counsellors Welcome Continued Funding for Problem Gambling</li> </ul>
<b>April 2016</b>	<ul style="list-style-type: none"> <li>■ Financial Counselling Australia welcomes Government's reforms on online gambling—consumer protection is central focus</li> <li>■ Financial Counselling Help for Problem Gamblers Needs to Continue</li> <li>■ User-Pays Model to Fund ASIC Should Extend to Financial Counselling</li> </ul>
<b>March 2016</b>	<ul style="list-style-type: none"> <li>■ Communique: Debt Management Firms—Regulatory Reform</li> </ul>
<b>January 2016</b>	<ul style="list-style-type: none"> <li>■ When The Great Australian Dream Becomes a Nightmare</li> </ul>
<b>December 2015</b>	<ul style="list-style-type: none"> <li>■ FCA Releases Correspondence with Santa</li> <li>■ Services that help people overcome problems with debt will drastically reduce from 1 January 2016</li> <li>■ FCA releases submission to O'Farrell review of the Interactive Gambling Act—consumer protection needs to improve dramatically</li> </ul>
<b>September 2015</b>	<ul style="list-style-type: none"> <li>■ ASIC report highlights exorbitant costs of rent-to-buy household goods</li> <li>■ Legislative Review of Gambling Must Also Address 'Legal' Online Gambling in Australia</li> <li>■ Online Sports Betting Review Needs to have Wide Terms of Reference</li> </ul>
<b>August 2015</b>	<ul style="list-style-type: none"> <li>■ Ban Gambling With Credit Says FCA Report Into Online Sports Betting</li> </ul>
<b>June 2015</b>	<ul style="list-style-type: none"> <li>■ WA Government Urged to Reverse Decision to Close Financial Counselling Services in the Perth Metropolitan Area</li> </ul>
<b>April 2015</b>	<ul style="list-style-type: none"> <li>■ Rank the Banks Survey Shows Improvements Across the Board</li> </ul>
<b>February 2015</b>	<ul style="list-style-type: none"> <li>■ Rural Financial Counselling Funding Continues</li> <li>■ FCA Conference to go Ahead (but our funding is still uncertain)</li> </ul>
<b>January 2015</b>	<ul style="list-style-type: none"> <li>■ Queensland Political Parties Urged to Fund Financial Counselling</li> </ul>
<b>December 2014</b>	<ul style="list-style-type: none"> <li>■ Funding for Financial Counselling Australia Uncertain</li> <li>■ Financial Counsellors Welcome Consumer Guide on Debt Collection</li> <li>■ Community Agencies Welcome AGL Commitment</li> </ul>
<b>September 2014</b>	<ul style="list-style-type: none"> <li>■ Congratulations to Financial Counselling Winners in MoneySmart Week Awards</li> </ul>
<b>August 2014</b>	<ul style="list-style-type: none"> <li>■ Credit reporting agency accused of breaching new credit reporting rules</li> </ul>

## ABC—The Checkout

The ABC program “The Checkout” did a segment on the hazards of the debt relief industry on 14th April 2016—see <http://www.abc.net.au/tv/thecheckout/episodes/s04ep02.htm>

FCA provided the ABC with substantial information and research about the consumer hazards inherent in the debt relief industry. The program concluded with a very positive description of financial counselling and promotion of the 1800 007 007 service. This was an important contribution to financial literacy messages and promoting financial counselling.

## Gambling

We continue to generate a substantial amount of media on gambling and online sports betting. We are regularly contacted by media outlets for comment, information, and radio interviews. This has come about following our role in disclosing some of the consumer detriment with online sports betting in our August 2015 report, “Duds, Mugs and the A-List” as well as later policy work around options for law reform.

## ABC—Four Corners

In March 2015, ABC Four Corners ran an exposé into the payday lending industry and the misery that short-term, high cost loans can cause for people on low incomes. The program included a meeting of financial counsellors discussing the problems they saw when clients had payday loans as well as an interview with FCA's CEO.

## 8.8

## FINANCIAL REPORTS

Financial Reports 2014/15, 2015/16 are available on FCA's [website](#).



### Peter

Peter was referred to a financial counsellor by his university student support service after he had told the university that he was withdrawing from his studies. Peter's financial situation was desperate. He had been relying on other students for food and borrowing money from his grandmother, an aged pensioner. The main problem was Peter's mobile phone contract which accounted for most of his income. He owed more than \$3,000.

With the help of a financial counsellor Peter was able to show that the contract was unfair and eventually the provider agreed to cancel the contract and waive the debt.

Peter continued his tertiary studies and will graduate next year with an engineering degree.

# 9. THANK YOU

A very sincere thanks to everyone who has worked with FCA over the time period of this report— government, industry, regulators, consumer organisations and financial counsellors.

## Grant Funding

- Federal Government Department of Social Services for funding and support
- Financial Literacy Australia—for grants for the “prison project” and the National Debt Helpline website

## External advisors

- Sincere thanks to Phil Khoury and Debra Russell, Cameronralph Navigator for their wise counsel and facilitation of FCA's internal governance review
- Jonathan Tey, Russell Kennedy lawyers for legal advice in relation to FCA's new constitution
- Karyn Schluter-White for facilitation of strategic planning and workshops with the State/Territory financial counselling associations
- Vanessa Hood from Rooftop Social for advice about evaluations and evaluative thinking
- Melinda Rene, for ongoing graphic design expertise
- Lyn Morris, project management for the National Debt Helpline website
- Lennie Beattie of Content Ark for content management and strategy for the National Debt Helpline website
- GetStarted for development of the National Debt Helpline and ongoing support of the FCA toolkit website

## Sponsorship of 2015 and 2016 FCA Conferences

This funding allows us to keep the conference fees to an affordable level for attendees as well as cover some of the costs for the pre-conference events and speakers.

2015	2016
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