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ACT 2025–26 Budget Consultation  
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## **2025-26 ACT Budget Priorities: Delivering Frontline Cost of Living Support for the Most Vulnerable in our Community**

### **ABOUT CARE**

Care has been supporting the Canberra community since 1983. Our vision is financial fairness for all. We are a community organisation that provides free and confidential support and assistance to people living on low to moderate incomes or who are experiencing financial difficulty. Our work spans across four programs: financial counselling and capability; consumer law; community loans; and community education.

### **SUMMARY OF PRIORITIES**

Care has identified the following six priorities for investment by the ACT Government in its 2025–26 Budget:

- Specialist financial counselling and capability support for people affected by domestic and family violence and financial abuse
- Financial counselling services to meet increased community need and cost of living pressures (including for vulnerable private tenants)
- Ongoing funding of the Rent Relief Fund delivered by Care
- Ongoing funding for the Mobile Debt Clinic operated by Care
- Ongoing funding for the Home Energy Tune-Up initiative
- Ongoing funding of the Utilities Hardship Fund.

These priorities align with the ACT Government's focus on targeting investment to responsibly support frontline service delivery and providing services to support the most vulnerable people within our community. Our 2025–26 ACT Budget Priorities also align with the ACT Government's priority area of cost-of-living relief in this parliamentary term.

**PRIORITY ONE: DOMESTIC AND FAMILY VIOLENCE AND FINANCIAL ABUSE – SPECIALIST FINANCIAL COUNSELLING AND CAPABILITY SERVICES**

<b>Care resources – wages + oncosts</b>	<b>Cost per year (Indexation to be applied for 2025-26 and forward estimates)</b>
DFV Specialist Financial Counsellor (1 FTE)	\$117,055
DFV Specialist Financial Capability Officer (1 FTE)	\$117,055
ICT and associated costs	\$58,526
<b>Total (GST excl.)</b>	<b>\$292,636</b>

Care is seeking funding in the 2025-26 ACT Budget to continue to employ a financial counsellor to provide specialist support to victim-survivors of domestic and family violence (DFV) and financial abuse. Since July 2020, Care has received funding from a charitable trust, the Financial Counselling Foundation (FCF), to provide specialist financial counselling for women affected by domestic and family violence in the ACT. In 2023, this grant funding was extended until 30 June 2025. FCF will not be able to provide funding beyond 30 June 2025 as it expects to conclude its operations. Care is seeking funding from the ACT Government so that we can continue to provide this critical service.

Further, Care has identified the need for a financial capability officer to provide additional specialist support for people affected by domestic and family violence and financial abuse in the ACT. Combined, this would enable Care to work with clients to address the immediate impact of financial abuse through financial counselling, and to support clients' financial wellbeing and recovery in the long term through financial capability support.

***Evidence of need, value, and impact***

- For the six months from July-December 2024, clients indicated they had experienced domestic and family violence in 39% (519) of the 1,331 matters managed by Care's financial counsellors
- The [Parliamentary Joint Committee on Corporations and Financial Services](#) found that 'financial abuse is a common form of domestic and family violence' – ANROWS reported that in Australia 'an estimated 80–90 per cent of women who seek support for domestic and family violence have experienced financial abuse'
- The [2024 Rapid Review of Prevention Approaches](#) noted that 'financial abuse is fast becoming one of the most frequent forms of abuse, especially within the context of coercive control'

- The [National Plan to End Violence against Women and Children 2022-2032](#) notes that financial abuse ‘is a powerful form of abuse and it is often the reason why women find it difficult to leave an abusive relationship’ – it identifies the need to ‘address financial stress as a major priority for women leaving an abusive relationship’
- The [National Plan](#) notes that ‘financial abuse is an intersectional, gendered issue’
- In the [Listen. Take action to prevent, believe and heal](#) report, the Aboriginal and Torres Strait Islander Consultation Committee noted that ‘Women will not disclose violence unless they know the immediate needs of their family are met – including, housing, financial and safety’ – this is reflected in Recommendation 9 of [The Long Yarn](#) and [We Don’t Shoot Our Wounded](#) reports
- KPMG estimated that gendered financial abuse cost Australians \$10.9 billion a year – with \$5.7 billion of cost borne directly by victims
- The [2023 UNSW SPRC evaluation](#) of FCF’s grants for specialist financial counselling for women affected by DFV found positive impacts for women and the organisations that supported them
- In 2021, the House of Representatives Standing Committee on Social Policy and Legal Affairs [Inquiry into family, domestic and family violence](#) recommended that ‘the Australian Government work with the states and territories (other than Victoria) to provide funding for an increased number of financial counsellors’
- In 2023, the [Select Committee on Cost of Living Pressures in the ACT](#) recommended that ‘the ACT Government provide more support for specialist financial counsellors for priority groups’
- The [2020 Responding to Financial Abuse report](#) notes that ‘financial counsellors play a key role in helping people who experience family violence. In addition to specialist family violence financial counsellors, most financial counsellors in Australia have received family violence training’.

“Financial counsellors are at the frontline of economic abuse recovery. They have an extensive knowledge of a range of areas of law and policy including consumer credit law, debt enforcement practice, the bankruptcy regime, industry hardship policies and government concession frameworks. Specialist family violence financial counsellors have additional skills and knowledge about family violence and economic abuse. They often work with other community services to provide the best outcomes for clients. The services they provide are free, independent and confidential.”

[Responding to Financial Abuse Report 2020 – Community, business and government responses to the financial impacts of family violence in Australia](#)

(January 2020) Carolyn Bond and Madeleine Ulbrick

**PRIORITY TWO: COST OF LIVING SUPPORT – FINANCIAL COUNSELLING SERVICES (INCLUDING SUPPORT FOR VULNERABLE PRIVATE TENANTS)**

<b>Care resources – wages + oncosts</b>	<b>Cost per year (Indexation to be applied for 2025-26 and forward estimates)</b>
Financial Counsellor (1 FTE)	\$117,055
ICT and associated costs	\$29,263
<b>Total (GST excl.)</b>	<b>\$146,318</b>

Care’s [submission to the 2024-25 ACT Budget consultation](#) sought four-year funding to employ one additional full-time financial counsellor. This was not funded in the 2024-25 ACT Budget, but the need for this funding to meet increased demand remains. In 2023-24, Care saw a further 17% increase in the amount of support provided to clients experiencing financial hardship compared to 2022-23.

As well as enabling Care to meet increased demand, funding for an additional financial counsellor would allow Care to continue to provide financial counselling services to vulnerable private tenants. Since February 2024, Care has received funding from a charitable trust, the Financial Counselling Foundation (FCF), to provide financial counselling services for vulnerable private tenants. FCF will not be able to provide funding beyond 31 December 2025 as it expects to conclude its operations.

***Evidence of need, value, and impact***

- ACT calls to the [National Debt Helpline](#) increased by 48% between 2021 (2,620) and 2024 (3,875)
- In the six months from July-December 2024, Care saw an 18% increase in National Debt Helpline calls compared to the same period in the previous year
- Between 2022-23 and 2023-24, Care saw a 17% increase in support provided to clients experiencing financial hardship
- In 2023, the [Select Committee on Cost of Living Pressures in the ACT](#) recommended that ‘the ACT Government provide more support for financial counselling services [and] for specialist financial counsellors for priority groups’
- In 2023-24, Care obtained \$1.36m in debt waivers and reductions for clients
- In the six months from July-December 2024, Care obtained a further \$754,921 in debt waivers and reductions for clients.

### PRIORITY THREE: RENT RELIEF FUND

Care resources – wages + oncosts (To deliver the Rent Relief Fund)	Cost per year (Indexation to be applied for 2025-26 and forward estimates)
Based on current funding	\$240,000
<b>Total (GST excl.)</b>	<b>\$240,000</b>

The Rent Relief Fund was a key cost of living support provided by the ACT Government in the previous parliamentary term. The fund gives grants to help tenants who are experiencing rental stress or severe financial hardship. A grant can be up to four weeks rent and a maximum of \$2,500. The fund is administered and delivered by Care on behalf of the ACT Government. From November 2021 to April 2022, the ACT Government established a Rent Relief Fund as a COVID-19 support measure that was administered by Care. The ACT Government re-established the Rent Relief Fund on 17 April 2023 with funding until 30 June 2024 and administered by Care. The Rent Relief Fund was extended by another year with \$1.64m invested in the 2024-25 ACT Budget – with around 15% allocated to administration and delivery. Care is seeking ongoing funding for the Rent Relief Fund in the 2025-26 ACT Budget.

The Rent Relief Fund assists vulnerable, low-income Canberrans experiencing rental stress or financial hardship due to current rental market conditions and rising cost of living challenges. It helps renters sustain their tenancies and prevent evictions owing to financial hardships. The fund forms an important part of the ACT Government's efforts to address the rising costs of living and prevent households from falling into entrenched or permanent financial hardship, or poverty. Care's administration and delivery of the Rent Relief Fund means that it is also a doorway to holistic support: access to other grants; access to no interest loans; financial counselling and capability support to manage debts; and referrals to other support services.

The [ACT Chief Minister's website](#) highlights the important role the Rent Relief Fund plays in helping Canberrans with the cost of living: 'Every Canberran deserves a safe and secure home. When times are tough, we are making sure that there is support available to help Canberrans keep a roof over their head. The Rent Relief Fund is targeted cost of living support for those in our community who need it most.'

#### ***Evidence of need, value, and impact***

- Between April 2023 and December 2024, 1,460 applications were received with 1,204 grants approved – 1,073 (89%) were in rental stress, paying more than 30% of their income on rent

- Out of 104 responses to an impact survey of Rent Relief Fund grant recipients, 72% said the grant had a major or significant impact
- Among Rent Relief Fund recipients, Care has seen an increased uptake of financial counselling and capability appointments; community loan applications; and energy support appointments
- Productivity Commission [research on vulnerable private renters](#) found that the number of low-income households renting privately had more than doubled over the previous two decades
- The [2024 Rental Affordability Index](#) found that low-income households in the ACT (including pensioners, minimum wage earners, hospitality workers, single parents, student sharehouses, and JobSeeker recipients) face particularly unaffordable rents
- The [2024 Anglicare Rental Affordability Snapshot](#) found that only 3.2% of private rental properties advertised in the ACT and surrounding region were suitable for at least one household type living on income support payments without placing them in housing stress
- [Report on Government Services 2025](#) data shows that in 2024 the ACT had the highest rate of rental stress among Commonwealth Rent Assistance recipients at 50.3% (compared to 41.8% nationally), with 26.9% paying more than 50% of income on rent (compared to 16.8% nationally)
- The 2005 Australian Housing and Urban Research institute (AHURI) [review of private rental support programs](#) found that 'the benefits that accrue for tenants are generally regarded as significant and valuable'.

<b>Examples of Feedback from Rent Relief Fund Recipients via the Impact Survey</b>
It really helps family's. Thank you to rent relief.
It was a fantastic relief for me. I am really struggling financially but ineligible for most government assistance.
Support provided by the team at Care was amazing, thoughtful and helpful. Really appreciate a service like this especially when going through hard times.
This was truly life changing support for me. Thank you
Staff were very helpful and non-judgemental, which made the process so much easier. Thank you to the team, you guys do a brilliant job!
Thank you! This literally saved us in a really rough time, we are incredibly grateful. Thank you!
This grant saved me and my children from dire circumstances. I am so grateful to have been able to access the grant. Many thanks.
I'd like to say how truly amazing the entire team is. The ladies I spoke with are so understanding, informative, and genuinely understanding, and able to provide information for further assistance and organizations who may be able to help on a longer term basis.
Me with my 2 year toddler was going through a difficult situation only because of rent relief support we were able to arrange further solutions with complete mental peace. Always thankful

**PRIORITY FOUR: MOBILE DEBT CLINIC FOR PEOPLE AFFECTED BY FINANCIAL ABUSE AND DOMESTIC AND FAMILY VIOLENCE**

<b>Care resources – wages + oncosts</b>	<b>Cost per year (Indexation to be applied for 2025–26 and forward estimates)</b>
Solicitor (1 FTE)	\$131,600
Paralegal (0.6 FTE)	\$65,100
Community Legal Educator (0.2 FTE)	\$24,100
Social Worker (0.6 FTE)	\$72,400
ICT and associated costs	\$58,600
<b>Total (GST excl.)</b>	<b>\$351,800</b>

Care Consumer Law is funded by the ACT Justice and Community Safety Directorate to provide a Mobile Debt Clinic service to support vulnerable Canberrans who are experiencing financial abuse and/or disadvantage as a result of domestic and family violence. This funding is due to cease on 30 June 2025 and Care is seeking an extension of the funding as it has been vital to our ability to offer and expand the Program to meet ACT community's need. A detailed outline of 2025–26 funding needs for the Mobile Debt Clinic has been provided to the Justice and Community Safety Directorate and will also be provided to Treasury in support of this submission.

The Mobile Debt Clinic will offer free legal advice in the following areas:

- Consumer credit and financial abuse
- Debt recovery initiated by financial services providers, insurers, and debt collection companies
- Issues with telecommunications and utility providers
- Disputes regarding 'Buy now pay later' products
- Contractual disputes with businesses or corporate entities.

This program responds to the increasing need for legal support among consumers affected by financial abuse and domestic violence by providing accessible legal assistance to clients in consumer credit matters. The rising cost of living has significantly impacted the social and economic wellbeing of consumers, leading to increased financial stress, difficulty managing debts and increased cases of financial abuse and domestic and family violence. Many individuals are finding it challenging to meet their financial obligations, resulting in disputes with creditors, service providers, and financial institutions. The Mobile Debt Clinic aims to address these challenges by providing accessible legal support to those affected, ensuring they understand their rights and options in the face of financial hardship.

By addressing legal issues proactively, we help clients to resolve their legal challenges at early stages. Access to this mobile legal service significantly increases access to justice for consumers who may otherwise be unaware of their rights and responsibilities, empowering them to resolve their financial matters more effectively.

### ***Evidence of need, value, and impact***

- The Mobile Debt Clinic supports the first strategic direction of the [ACT Legal Assistance Strategy 2023-2025](#): Increasing access to justice for those who need it most – Work together to better meet client need through collaboratively planning service delivery and advocating for fair laws and policies
- 85% of Care’s Mobile Debt Clinic program clients in the period from January-June 2024 were women experiencing financial abuse and or domestic and family violence
- The [2024 Rapid Review of Prevention Approaches](#) noted that ‘financial abuse is fast becoming one of the most frequent forms of abuse, especially within the context of coercive control’
- Care Consumer Law is uniquely positioned as the only free legal service provider in the ACT with specialised expertise in consumer and credit law
- Through the Mobile Debt Clinic, Care has been able to reach out and assist those at risk of unjust or highly detrimental outcomes if assistance is not provided. Providing early intervention legal advice and ongoing representation has led to many positive outcomes that would unlikely be achieved without the service and the referral pathway.

#### **Case study: Financial abuse – joint personal loan**

We gave advice to a client from a migrant background who was a victim of financial abuse due to domestic and family violence. The client had separated from an abusive ex-partner and had sole responsibility for 6 dependent children. While they were still together the ex-partner took out a joint personal loan amounting to \$30,000. Our client did not benefit from the loan although she was a joint borrower. We advised the client about her options including negotiating with the bank on the basis that the loan was unjust or negotiating with her ex-partner so he could refinance the loan. Following our advice, the client opted to try and negotiate with the ex-partner so he could apply for another loan in his name and pay off the joint loan. The ex-partner agreed to apply for another loan to pay off the joint loan. This was done and the joint loan was paid off.

## PRIORITY FIVE: HOME ENERGY TUNE-UP INITIATIVE

Care resources – wages + oncosts	Cost per year (Indexation to be applied for 2025–26 and forward estimates)
Based on current funding	\$102,564
<b>Total (GST excl.)</b>	<b>\$102,564</b>

The [Home Energy Tune-Up Initiative](#) is a partnership between Care and St Vincent de Paul Canberra/Goulburn. This initiative was established by the ACT Government in 2022 under the Energy Assistance Community Partnerships. The current contract for this initiative ends on 30 June 2025. Care is seeking ongoing funding for this initiative to be included in the 2025–26 ACT Budget.

Through this initiative, Care and Vinnies help clients plan effective strategies to tune-up their home energy needs. Care helps clients to review their energy bills and usage, set up bill-paying systems, ensure they have access to concessions and rebates. If needed, Care also links clients to utility hardship programs. Vinnies' Energy Efficiency team helps increase clients' home comfort and find the best ways to save on energy costs.

### ***Evidence of need, value, and impact***

- In 2023–24, Care supported 336 individuals facing energy-related issues – 50% were concession card holders; 24% identified as CALD; 13% identified as Aboriginal and/or Torres Strait Islander; and 38% stated they have been impacted by domestic and family violence
- In 2023–24, Care held four workshops for frontline community sector workers; and held two Bring Your Bills events (at Gugan Gulwan Youth Aboriginal Corporation and Communities at Work Gungahlin)
- The Home Energy Tune-Up Initiative supports the guiding priorities of the ACT Government's [2024–2030 Integrated Energy Plan](#), namely 'Prioritising those most in need'
- ACTCOSS's [Energy Hardship Factsheet](#) notes that households can save \$1,536 – \$3,872, a year with energy efficient electrified homes.

## PRIORITY SIX: UTILITIES HARDSHIP FUND

<b>Care resources – wages + oncosts (To deliver the Utilities Hardship Fund)</b>	<b>Cost per year (Indexation to be applied for 2025–26 and forward estimates)</b>
Financial Capability assessment and support (0.7 FTE)	\$81,938
Financial grant administration (0.2 FTE)	\$18,317
ICT and associated costs	\$25,063
<b>Total (GST excl.)</b>	<b>\$125,318</b>

The Utilities Hardship Fund (UHF) has its origins in the Energy Support Voucher Program launched by the ACT Government, ActewAGL and Care in 2017. The program is designed to help people who are in significant financial stress to assist with their energy bills. In the 2024–25 ACT Budget the ACT Government provided \$300,000 to increase the value of vouchers available from \$100 to \$300.

Care is seeking ongoing funding of the UHF. We also recommend that the ACT Government make changes to how the UHF is delivered to ensure that:

- It is available to all eligible ACT energy customers experiencing financial difficulty regardless of their retailer
- It is available to Icon Water customers experiencing financial difficulty to assist with their water and sewerage bills
- Eligibility for and access to vouchers is consistent across all energy retailers
- Vouchers can be applied to eligible customers' accounts even if they do not have money owing on their account or have a payment arrangement in place (e.g., EvenPay)
- Clients can access more than one voucher per year if needed
- It provides a direct referral pathway to other energy supports (e.g., Home Energy Tune-Up Initiative; Access to Electric Program)
- Administration of the voucher program is transferred to a trusted third party/community partner –Care is well-placed to undertake this administrative role on behalf of the ACT Government.

Alongside ongoing funding of the UHF, Care is seeking funding in the 2025–26 ACT Budget so that we can administer and deliver the UHF on behalf of the ACT Government as a means of achieving the suggested improvements outlined above.

### ***Evidence of need, value, and impact***

- In 2023-24, Care provided 527 energy support vouchers to clients through the Utilities Hardship Fund
- During the most recent reporting period (August-December 2024), 61% (95) of the 157 clients deemed eligible by Care had voucher submissions declined by the retailer
- The [ACT Retail Electricity Market Monitoring: Annual Report 2024](#) found that between March 2020-2024, the ACT saw a 78% increase in the number of people in energy hardship programs
- The same report found that in 2023-24, 50% of hardship customers did not receive the Utilities Concession (now Electricity, Gas and Water Rebate).

### ***Potential Offsets (Revenue Sources and Savings)***

- Consider sourcing energy retailer contributions to the UHF via an energy industry levy applied to all energy retailers rather than through individual agreements with participating energy retailers
- Examine potential savings from reforming the Electricity, Gas and Water Rebate to better meet need, such as through a [percentage-based or hybrid rebate](#).

## CARE BUDGET PRIORITIES AND ACT WELLBEING FRAMEWORK DOMAINS AND INDICATORS

Care 2025-26 ACT Budget Priorities	ACT Wellbeing Domains and Indicators
<p>Priority One: Domestic and Family Violence and Financial Abuse – Specialist Financial Counselling and Capability Services</p>	<p><u>Safety</u> – Domestic and Family Violence</p> <p><u>Access and connectivity</u> – Access to services</p> <p><u>Economy</u> – Income inequality</p> <p><u>Health</u> – Mental health</p> <p><u>Housing and home</u> – Homelessness</p> <p><u>Living standards</u> – Cost of living; Financial position</p>
<p>Priority Two: Cost of Living Support – Financial Counselling Services (including support for vulnerable private tenants)</p>	<p><u>Living standards</u> – Cost of living; Financial position</p> <p><u>Access and connectivity</u> – Access to services</p> <p><u>Economy</u> – Income inequality</p> <p><u>Health</u> – Mental health</p> <p><u>Housing and home</u> – Homelessness</p>
<p>Priority Three: Rent Relief Fund</p>	<p><u>Housing and home</u> – Rental stress; Homelessness</p> <p><u>Living standards</u> – Cost of living</p>
<p>Priority Four: Mobile Debt Clinic for People Affected by Financial Abuse and Domestic and Family Violence</p>	<p><u>Safety</u> – Domestic and Family Violence</p> <p><u>Governance and institutions</u> – Access to justice and restorative practice</p> <p><u>Health</u> – Mental health</p> <p><u>Living standards</u> – Cost of living; Financial position</p>
<p>Priority Five: Home Energy Tune-Up Initiative</p>	<p><u>Housing and home</u> – Housing suitability</p> <p><u>Living standards</u> – Cost of living</p> <p><u>Environment and climate</u> – Climate resilient environment and community</p>
<p>Priority Six: Utilities Hardship Fund</p>	<p><u>Living standards</u> – Cost of living</p>

## **CONTACTS**

Care would welcome further engagement with ACT Treasury and any other ACT Government Directorates with an interest in our 2025-26 ACT Budget Priorities.

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### **ACKNOWLEDGEMENT OF COUNTRY**

Care acknowledges the Traditional Owners and Custodians of Country throughout Australia and recognises their continuing connection to land, waters and community. We pay our respects to the people, their cultures and their Elders past, present and emerging.