



Media release  
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## Three hands make light work of mortgage stress

A Melton-based service designed to keep people suffering mortgage stress in their homes is a great success according to an independent report.

The mortgage wellbeing service run by Brimbank Melton Community Legal Centre, a program of Comm Unity Plus Services Ltd, and partnered with Djerriwarrh Health Services in Melton, uses a unique model to help people facing the prospect of losing their homes: a lawyer, a social worker and a financial counsellor meet with a client and then work out the best approach to solving the variety of problems that threaten their ability to keep the family home. This saves time in that client doesn't have to tell their stories over and over again and is a less stressful experience than would otherwise be the case.

"The factors involved can be a mixture of unemployment, injury, domestic violence, mismanaging budgets and many other issues. For every set of problems we have the right professionals working together on the spot ready to sort things out." Said James McCarthy, the Chair of the **commUnity+** Board.

One issue of great concern is the level of family violence detected through the service "One in five Mortgage Wellbeing Service clients report family violence as a cause of their mortgage stress." Said Ursula Noye, the lawyer in the team. "Given the issue of under-reporting, we suspect that a much higher percentage of our clients are experiencing family violence. Without robust and holistic support for these clients, there is not only a real risk to their safety but also to their security of housing."

The report is a mid-project evaluation of the service designed to report to the Legal Services Board who have funded the service with a two year grant. The service has seen 120 clients since it started in February 2015 with outstanding results:

- **93%** of clients regained control over the decision to remain in their home
- **27** of **29** applications to mortgagees for hardship relief were successful
- **27** applications to other creditors were successful
- All **9** complaints were resolved in the client's favour
- **3** received compensation and refunds

The report has demonstrated that the model works and that intervention at an early stage when financial difficulty has been identified, or when the first legal notice arrives, leads to favourable outcomes for clients.



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The general wellbeing of the clients is also a priority. 69% of clients who responded reported feeling less stressed about their situation as a result of their experience with the service. “And that is what we set out to achieve; to solve their cases and give clients peace of mind – to get on with their lives without the feeling that axe is about to fall,” said Ms Noye.

**commUnity+** CEO Rachna Muddagouni said that the service demonstrated the value of thinking laterally about complex problems. “This health justice partnership is the way of the future,” said Ms Muddagouni. “Now we need governments and the financial sector to recognise the value of these holistic early intervention approaches because it will be to their benefit in the long-run. Not having to re-possess homes, keeping our clients housed and the mortgages being paid benefits all and saves a lot of time and money for everyone involved.”

*For further information or for any queries and referrals, please contact Rachna Muddagouni, CEO at [rmuddagouni@comm-unityplus.org.au](mailto:rmuddagouni@comm-unityplus.org.au)*