Building Financial Capability Services Guidelines
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1. About these Guidelines

What are these Guidelines for?
These Building Financial Capability services Guidelines ("Guidelines") are for the providers that the Ministry of Social Development ("the Ministry") contracts with to provide Building Financial Capability services.

Outcome Agreements with providers for these Building Financial Capability services require that they are delivered in accordance with these Guidelines. The Guidelines form part of the Outcome Agreement.

What is the purpose of these Guidelines?
These Guidelines provide:

- a set of practice principles to guide Service Delivery
- an outline of Service Delivery and practice
- a resource tool to help providers deliver services consistently
- a resource tool to assist providers in meeting the desired service outcomes
- a way for the Ministry to improve its responsiveness to feedback regarding changes to the Service Delivery component of the Outcome Agreement.

How should these Guidelines be used?
The Guidelines set the minimum standard for Service Delivery, from which each provider can develop a service that reflects their philosophical base, incorporating local need and the culture within which they work.

Will these Guidelines be revised?
This is a living document and will be updated over time to take into account provider feedback. Ministry staff will keep providers informed of any editions, updates or changes. Feedback on the Guidelines is welcome at any time and can be sent to the Ministry national office using the attached Feedback Form (See Appendix Three).

Where can you go for more information?
For further information on these Guidelines please contact your Ministry contract manager as identified in your Outcome Agreement.
2. Relationships

Relationship principles

Both parties to the Outcome Agreement shall collaborate to ensure the services are effective and accessible. Both parties recognise that the service is a joint endeavour, in which both parties have a shared goal to achieve positive benefits for the Building Financial Capability services target group.

The following principles guide all our dealings under the Outcome Agreement. Both parties agree to:

- act honestly and in good faith
- communicate openly and in a timely manner
- work in a collaborative and constructive manner
- recognise each other’s responsibilities
- encourage quality and innovation to achieve positive outcomes.

Both parties shall appoint contract managers who will be responsible for effectively managing the contract relationship between us, by providing assistance and support as required. Details of the contract managers nominated by both parties are set out in the Outcome Agreement.

The Ministry will be guided by the Code of Funding Practice in its relationship with the provider. The Code of Funding Practice aims to support government agencies and non-profit agencies when entering into funding arrangements. It also encourages greater collaboration between the parties. A full copy of the code can be found at: www.goodpracticefunding.govt.nz.

Cultural responsiveness

Both parties recognise the needs of all people, including Māori, Pacific, ethnic communities and all other communities, to have services provided in a way that is consistent with their social, economic, political, cultural and spiritual values.

Good practice approach

Both parties support the development of good practice in the delivery of the service. This includes:

- using current good practice approaches, taking into account the local context, community and the knowledge and skills relevant to the purpose and focus of this service
- being client focused, including:
  - involving clients appropriately in decisions about the delivery of the support they receive
  - recognising the importance of cultural responsiveness in service delivery
- designing services and physical facilities in a way that supports accessibility to services for clients
- using a collaborative approach across services and agencies where possible
• regularly reviewing, reflecting and monitoring of the effectiveness of the service, including client, staff and external feedback, and changing and modifying practice in response
• using formal feedback processes for reporting purposes and ensuring that clients are aware of how information they provide will be used. This includes obtaining permission from the client to discuss or share their details with creditors, external agencies or other third parties, as provided by the Privacy Act 1993
• relevant training, professional development and (where appropriate) supervision, and utilising appropriate resources and support
• engaging with a ‘community of practice’ to share ideas, information and build professional practice knowledge.
3. About Building Financial Capability

Why have services changed?

Up to now, the Ministry funded services that were focused on budgeting, which is only one component of financial capability.

The Ministry received a clear message, from current clients and providers, that services need to be more client-focused and flexible to take into account complex needs, and a person's place within their whānau and community.

The Ministry engaged with over 450 people, from clients, to those providing services, to support us in the development of the new services. From these conversations, a new way of working has been developed, and the shift from budget services to Building Financial Capability was made.

Building Financial Capability in New Zealand is a priority for the Government. The National Strategy for Financial Capability (June 2015) aims to improve the wellbeing of people, their families and whānau, reduce hardship, increase investment and grow the economy.

From budget services to Building Financial Capability of New Zealanders experiencing hardship

The Ministry has thus changed the funding and delivery of budget services. The aim is to build the financial capability of New Zealanders experiencing hardship. The change has come about so that services:

- take into account the diverse and complex needs of New Zealanders experiencing hardship
- deliver a seamless and empowering experience for clients that is consistent and collaborative across the board.

What are the outcomes we want to achieve?

In funding Building Financial Capability services the Ministry wants to see the following outcomes:

- people, their family and whānau have their basic needs protected, for example, access to power, rent and food
- people, their family and whānau are connected to the right services and supports that they need, when they need them
- people’s longer-term financial capability is improved. This includes:
  - the ability to set goals
  - increased confidence, competence and coping skills
  - robust financial decision-making skills
  - effective management of finances including savings (within their income level)
  - smart use of debt and financial products
  - involvement in resource and/or income generation activities
  - knowledge of the support that is available.
• clients are enabled to access appropriate financial products and services when and how they need them
• clients who are in debt will be supported to reduce debt when they are able.

In turn, these outcomes will contribute to the longer term outcomes for New Zealanders experiencing hardship of:

• reduced unproductive debt
• reduced stress caused by financial problems
• increased short and long term savings
• improved financial confidence and capability
• improved resilience to cope with financial shocks
• improved financial and material well-being.

With the ultimate goal of:

• improved well-being of people, their family and whānau
• improved opportunities and life outcomes for tamariki
• improved social and economic inclusion.

What are the principles of Building Financial Capability services to deliver the optimum client experience?

*Client-centred and embedded with learning*
Empowering people works best when processes and services are meaningful and actively help people build their own financial capability.

*Integrated and connected*
Services are integrated across the social sector, easy to navigate, continuously improved and focused on client outcomes. People get the right support, when and how they need it.

*Culturally relevant and responsive*
Services and initiatives recognise that there are differing approaches and understanding of financial capability. Delivery is meaningful across a range of cultures.

*Accessible when needed*
Services are easily accessible, appropriate, and can respond to people’s cultural contexts, languages, diversity and personal situations, including any impairments or disabilities.

*Strengths-based and aspirational*
We celebrate and build on people’s small and large successes (which may be non-financial). Our language and approaches are future-focused and we support resource generation and debt reduction.

*Whānau-centred approach*
We work with people’s natural supports including family, whānau, peers, local communities and social and health navigators for behaviour change through and with these relationships.
What are the Building Financial Capability Services?

An initial set of frontline services\(^1\) has replaced budget services. These are the first stepping stones toward building services that are responsive, adaptive and consistent.

The initial roll-out of services includes:

- financial mentors – this service will reframe and build on the existing budget advisors
- ‘MoneyMates’ – peer-led support, based around the concept of sharing and learning together as a group.

These services will be supported by:

- a Financial Plan of Action - a resource for people, their family and whānau to record and track their goals, supported (where necessary) by a financial mentor.
- a strengthened and consistent referral and communication practice with Work and Income.

This initial set of changes is focused on ensuring we have a consistent service that is adaptable to reflect the needs of the clients accessing services and support.

Providers can be contracted to provide one or both of the financial mentor and MoneyMates services.

Depending on which service will best meet clients’ needs, either financial mentor and / or MoneyMates will be provided. Where a client is receiving both services, it is expected that providers (if more than one) delivering the two services will work closely together.

Who are the services targeted to?

Services are targeted to people, their families and whānau in New Zealand who are experiencing financial hardship and need help with their financial situation. The focus is on household finances not business or commercial.

The new services will take into account the nature of financial hardship - that it is a situation in time, that people can slip in and out of hardship at different stages of their lives, and that they are part of a whole system of influences.

Who is involved?

*The client*

The client is at the centre of all services. The client is defined as a person or family / whānau who agree to engage with the provider regarding their financial situation through Building Financial Capability services. These services recognise that people are the experts in their own lives, and clients’ expertise should be recognised and valued in order to make long term sustainable behaviour change.

*The Provider*

The role of the provider is to:

- employ and support competent staff

\(^1\) Further work is underway on a second phase of products and services to support these initial services. The Guidelines will be updated to include these as appropriate.
• operate a viable service which is able to support all staff and professional development, in accordance with Ministry Accreditation Standards and these Guidelines
• ensure appropriate community collaboration and networking links are made to support clients
• actively participate in any regional networking, information sharing and knowledge building activities
• develop and maintain effective collaborative working relationships with local Work and Income sites
• participate in training and up-skilling activities to keep up to date with financial capability information
• ensure systems and processes are in place to utilise and report on funds in line with the Outcome Agreement and these Guidelines.

Providers are required to use a strengths-based approach that is both client and whānau centred.

The Ministry of Social Development

The role of the Ministry is to:
• approve providers
• monitor the service delivery and financial management of the provider
• make referrals and provide information where the service is specifically contracted for referrals from the Ministry
• seek continuous improvement of service delivery, including updating of these Guidelines.

Social Sector Accreditation Standards

Providers delivering Building Financial Capability services are required to meet Level Four, Ministry of Social Development Accreditation Standards. Providers are required to maintain their Approval level according to the Ministry’s relevant Approval and Accreditation Standards.

Transitional Phase

From 1 November 2016 to 30 June 2017, the Ministry and providers are transitioning from budgeting services to Building Financial Capability services.

During this period, the Ministry and providers are taking a continuous improvement approach to embedding in the new services. This means trying them out, testing them, training staff and volunteers in the new approaches, learning what is working and what is not, and making changes to improve the services.

The Ministry expects that it will take time to embed the new services, and thus will be realistic and work collaboratively with providers to assist them to meet targets set out in their Outcome Agreement. Where providers are unable to meet targets, the Ministry will discuss options with the provider about how best to ensure service continuity to clients during this period.
4. Service delivery

Where do providers fit in the big picture?

The providers of Building Financial Capability services help people, their family and whānau achieve their financial goals, and gain control of their lives to make long term positive changes, through access to financial advice, support, education and mentoring. Providers are key contributors to Building Financial Capability services being successful. To achieve positive outcomes for people, their family and whānau, providers must deliver services that assist clients to:

- feel supported and able to connect with their community and local services
- develop and acquire new skills
- be confident and motivated
- access support when needed
- feel safe.

How will people access these services?

People can self-refer to Building Financial Capability services or be referred. Referral may come from other community organisations, government agencies or anywhere else. Work and Income will play a key role as they will discuss financial mentoring and MoneyMates opportunities with clients. Clients may transition to a financial mentor service following participation in a MoneyMates session, or vice versa. Clients can do both services consecutively.

How will providers engage with people?

Underpinning the Building Financial Capability services is an approach\(^2\) to engage and work with people, their families and whānau:

**Manaakitanga**
- host people, their family and whānau in a way that empowers them, and removes barriers to participate
- encourage and celebrate success, big and small

**Whānaungatanga**
- establish meaningful relationships in culturally appropriate ways – and engage in a way that builds trust
- work with people, their family and whānau from a cooperative position

**Tino Rangatiratanga**
- people, their family and whānau have autonomy to decide how and when they participate – they co-design and co-decide their journey
- people, their family and whānau define their goals, and work with financial mentors to achieve them

\(^2\) derived from the whānau-centric framework presented by the Southern Initiative at the Design Symposium, Wellington July 2016.
**Mana**
- people, their family and whānau are experts in their own lives – ensure the balance of power through all interactions
- people, their families and whānau lead the conversation and their journey

**Ako**
- learning is a two-way process - relationships are about learning from each other.

**How will providers work with other agencies?**

The Building Financial Capability service model is designed to be more consistent and better integrated with other support systems and agencies, such as Work and Income.

The provider will build connections, network, collaborate and maintain effective relationships with other relevant services and stakeholders. This will include community and social service agencies that are able to provide complementary assistance to clients as appropriate to their needs. Referrals to and from these agencies should be encouraged.

The provider will use, where relevant, existing service coordination mechanisms such as Whānau Ora collectives, Children’s Teams, Iwi Authority social service arms and other social service networks.

Each provider should have a referral process in place; this will include an agency form to be distributed throughout their community for other agencies and clients know how to access the service, and that makes it easy for people to self-refer.

**How will providers and Work and Income work together?**

The Building Financial Capability services will include strong, consistent collaboration with Work and Income case Managers, with client consent. Clear lines of communication and feedback loops with Work and Income will support continuous improvement.

Work and Income and providers will work together to create a consistent, streamlined service where the focus is on strengths-based financial planning. This will be done by:

- a consistent practice and approach for referring clients to financial mentors and MoneyMates where the service is available
- Work and Income staff have knowledge and resources about Building Financial Capability services to talk to clients at the right time
- robust communication channels between providers and Work and Income.

Feedback to Work and Income on outcomes of their referrals is crucial to ensure strong and consistent collaboration. Collaboration will be agreed locally, but could take place through meetings, via email or phone calls, or through quarterly networking meetings or another channel as deemed appropriate to both parties.
**Reports to the Commerce Commission**

Where the provider becomes aware of issues for clients that indicate their rights may be breached under the Fair Trading Act or the Credit Contract and Consumer Finance Act, the provider will discuss this breach with the client, and ask if they would like to have a report registered with the Commerce Commission. Permission from the client is required as provided by the Privacy Act 1993. Such a report may be made:

- by the client
- by the provider on behalf of the client
- by the provider, with the client being kept anonymous.


**What do the services focus on?**

Building Financial Capability services includes two distinct activities - financial mentor services and the provision of MoneyMates. Clients may be helped better through one or the other, or may participate in both. These services may be supported through the use of a Financial Plan of Action.

These services:

- encourage people, their family and whānau to manage their personal financial resources in ways that enhance their wellbeing
- provide support to people, their family, whānau and communities to help alleviate the harm that can arise from escalating financial problems
- increase the levels of financial knowledge and capability in the community
- build the capacity of people, their family and whānau to identify issues and help themselves when financial difficulties arise
- build connections and networks to support and sustain positive changes.

**Financial mentor services**

Financial mentor services are particularly relevant for people, their family and whānau with an immediate crisis that requires assistance, or on-going financial management questions, concerns or challenges.

For some people, financial mentors may only provide minimalist guidance and advice. In more complex cases, financial mentors may take a wider role in supporting and empowering clients to become more financially capable and make long-term change.

Financial mentors will be empathetic, have cultural understanding, experience and practices that are appropriate for the local population, be able to coach and empower in a strengths-based way, be open-minded and non-judgemental.

The financial mentor will navigate and network the system and have connections with key groups, especially Work and Income case managers, social services and debt agencies. The financial mentor will be a key person to help a client navigate the financial and support system to meet their needs using a strengths-based approach.
MoneyMates – peer-led support

MoneyMates is the new peer-led support that will replace structured group education programmes.

MoneyMates is aimed at specific groups of people who are repeatedly experiencing financial hardship, or who may be more likely to encounter financial difficulty, or who simply want to learn good financial management and budgeting skills.

Some participants might be transitioning from a one-on-one service to building networks and better financial independence.

MoneyMates sessions will encourage participants to talk openly about money and finances, their options and behaviours - not necessarily specific details of their own debt. MoneyMates will encourage people to learn from others, talk about and de-stigmatise financial hardship, and gain control over their financial lives to make longer-term behavioural changes. Over time, graduates of MoneyMates may advance to become facilitators of MoneyMates groups.

The concept of a peer led approach, and peers sharing and learning together at a group level has proven success in both large and small communities.

The Financial Plan of Action

The Financial Plan of Action is a resource for people, their family and whānau to record and track their goals, supported (where necessary) by a financial mentor. It is a simple, paper-based document that is easy to update and keep front of mind.

With the support of a financial mentor, clients will be able to:

- understand their financial position
- record their short, medium and longer term goals
- own and drive their plan and journey to financial capability and resilience

The Financial Plan of Action will be client-owned; and used to support and record strengths-based conversations between them and their financial mentor. These conversations might cover a range of topics, including the broader support the client may require to achieve their goals.

People who are part of a MoneyMates peer-led support may also choose to share their experience of using a financial plan and discuss options and solutions for issues they have struck while trying to achieve their goals. MoneyMates participants who don’t have a plan may be inspired to work with a financial mentor to develop one of their own.

What are some key elements of practice?

Underpinning the approach to delivery of services is the belief that clients, their family and their whānau are the experts in their own lives and have control over their own journey to becoming financially capable. This approach to service delivery includes:

- evidence based good practice approaches
- the social and cultural context of the community
- engaging in a client-led and whānau focused way, including:
  - people, families and whānau co-deciding the delivery of the support they receive
  - recognising the importance of cultural responsiveness in service delivery
  - designing accessible services
• work with other services and agencies for a collaborative, integrated and holistic approach
• regular review, reflection and monitoring of practice and service, including client, staff and external feedback, and changing and modifying practice in response
• formal feedback processes for reporting purposes and that clients know how information they provide will be used.
• relevant training, professional development and (where appropriate) supervision; and appropriate resources and support
• encouraging a ‘community of practice’ to share ideas, information and build professional practice knowledge.

What is a strengths-based approach?

Please note: Most of this content below is drawn from the Ministry’s strengths-based approach guidelines for Work and Income Work Focused Case Managers. Development of a shared understanding of a strengths-based approach and practice for Building Financial Capability services is underway. This may lead to changes to the content below.

The Building Financial Capability services will utilise a strengths-based approach. A strengths-based approach focuses on the people’s strengths to help them achieve their goals. Acknowledging the clients strengths and working with these is the starting point for positive change. It also reminds the client that they have the inherent capability, and helps to build on their strengths. It allows the client the opportunity to see solutions rather than just problems. It builds the client’s capability and resilience to respond to ongoing changes and challenges.

A strengths-based approach does not attempt to ignore problems or difficulties. It aims to identify clients’ strengths and the resources they may need to achieve their goals.

A strengths-based approach offers genuine support for clients to control their own lives by:

• building a positive and collaborative relationship, recognising the client is the expert in their own life
• empowering them to take a lead in their achievements in ways that work for them
• working collaboratively to achieve their goals.

A strengths-based approach encourages resilience, improves confidence and builds self-esteem.

It helps clients to:

• feel understood and valued
• set goals and work to achieve them
• view challenges as opportunities – not obstacles
• build on their strengths and achievements.

Principles of a strengths-based approach

• a belief that every person has potential and it is their unique strengths and capabilities that determines their journey, not their limitations
• focus on strengths and abilities, not labels – and see challenges as opportunities
• a belief that change is inevitable – everyone wants to succeed in some way
• positive change occurs through trusted and authentic relationships. All people need to feel and be appreciated – it is a transactional and facilitating process of supporting change and capability building
• a person’s perspective of their reality is central. Valuing and starting the change process with what’s important to that person is integral
• people will have more confidence to achieve their goals when they start with things they are familiar with, and ways that have already worked for them
• capability building is a dynamic, life long journey.

**Client-centred and whānau-centred approaches**

Aligned with strengths-based approaches, Building Financial Capability services are client and whānau centred. This means that the needs of clients’, their family and whānau are at the centre of services to ensure they receive the right support.

Being client-centred ensures clients drive their journey, learning and change. This recognises that people are capable and responsible for determining their own lives.

A whānau-centred approach refers to a culturally grounded, holistic approach in which providers are focused on improving the wellbeing of whānau and addressing individual needs within a whānau context. It recognises the complexities of families and whānau and the importance of creating an environment where whānau strengths are endorsed, whānau ownership of solutions and actions are encouraged and authentic relationships between whānau and providers are the norm. Whānau should have the opportunity to extend their own resources and expertise while also addressing the needs of individual members.

By placing clients, their family and whānau needs at the centre of services, and building on the strengths and capabilities already present, whānau will build the capability to prevent crises, be resilient and respond to challenges, and invest in their futures.

**How will financial mentors work with people?**

Financial mentors will work with clients to:

• help them identify their aspirations, and develop their strength based financial plan, including develop a plan to achieve their goals and help reduce any immediate pressure
• support and empower them to navigate local financial and social services as appropriate; including clear communication with Work and Income
• support and empower them to negotiate reduced payments (where relevant) and generate additional resources (where possible).

Financial mentors may also refer people to other social services depending on their needs, for example mental health services, substance abuse, gambling addiction programmes, violence programmes.

Financial mentors will support people according to their needs, as appropriate. On-going support for clients will be built up through peer, whānau and community networks with the continuing support of the financial mentor if required.

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3 Te Puni Kokiri: ‘Understanding whānau-centred approaches’ (2015)
When a person seeks support or assistance, either through referral or self-referral the provider will first assess their needs and agree with them to provide one or all of the following:

- assistance and support to address immediate crisis financial situation(s)
- assistance and support to address on-going, chronic financial problems
- specialist interventions (e.g. focused specialised support). In providing specialist interventions the provider will need to ensure that:
  - staff involved are trained and hold relevant qualifications where applicable,
  - there are suitable governance and administration systems in place to manage high risks involved
  - clients are not being taken advantage of.

The financial mentor will deliver mentoring in the form of information and support, options and advice, and specialist intervention services in accordance with *Appendix Two-Financial Mentoring services*.

The provider will deliver services at a frequency and for the duration needed to achieve the client’s goals.

The provider will document and review service provision, progress and results achieved with the client, for any service duration that exceeds 12 months of on-going intervention.


It is not intended that financial mentors will be providing a financial adviser service as defined in the Financial Advisers Act 2008. It is not intended that they will be making recommendations or giving opinions in relation to acquiring or disposing of a financial product but will rather be merely providing factual information about financial products. It is also not intended that they will be providing an investment planning service as the financial mentors will not be going so far, once the clients financial situation has been analysed, to identify their investment goals and to make recommendations or give opinions on how to realise those goals.

However, if they do provide a financial adviser service they will be exempt under the Financial Advisers Act 2008 as non-profit organisations are exempt where delivering free financial adviser services.

**How will MoneyMates support and work with people?**

MoneyMates group sessions will be led by a provider’s staff and/or volunteers (e.g. financial mentors) who have been trained as facilitators initially. Over time this could include building up the capability of clients to work for the provider as peer-led facilitators.

A group session is typically for four to eight people (minimum of 4), but it could be more, depending on the group make up and provider approach.

Peer-led group sessions will encourage participants to talk openly about money and finances, particularly options and behaviours, not necessarily specific details of their own debt.
Content delivered in the sessions may include, for example: budgeting, goals and savings, managing debt, future planning, credit and consumer rights, opportunities to increase income or resources, and community support.

Participants can:

- learn more about money, debt, financial products, loans and growing their resources
- learn from other people who are in similar situations to them, share their own insights and knowledge with others and build support networks with people going through the same experiences
- build up their networks with whānau and their community
- engage with activities as they work towards financial capability, including brainstorming ways to generate additional income or resources
- access other information and support such as online forums, helplines, the Sorted website or other tools that can assist people improve their knowledge and manage their finances.

We will be working with providers to create a flexible but consistent MoneyMates service across the country. Providers will be expected to deliver according to the *MoneyMates guide for facilitators* which will outline the approach expected of the new service. Training for facilitators is also available from early 2017.

**Providing staff support**

The provider will:

- ensure all staff, including volunteers, hold essential core skills and knowledge relevant to their client caseload
- ensure access to relevant on-going training
- provide staff, including volunteers, with regular supervision, monitoring, support and mentoring.

**Client feedback and outcomes measurement**

In coming months, the Ministry intends to develop a tool to support providers through the consistent definition and measurement of feedback and results. Once complete, it will be added to the guidelines.

In the meantime, the provider will maintain a formalised client feedback tool for evaluating the success of their service in meeting client needs and outcomes, and for informing on-going improvements in service delivery.

The client feedback tool should allow for the staff members to record clients’ own assessment, and provide the data and information required for reporting.

It is acknowledged that the feedback process may be different for financial mentor clients than for those who engage in MoneyMates.

**Charging for services**

The provider will not charge clients for Building Financial Capability services.
5. Measuring Results and Reporting: Understanding who is using our services

How do we know if the programmes or services we fund are working?

We need to understand who’s using the programmes and services we fund and demonstrate they achieve results for people, families and whānau. The Ministry will do this by collecting client level data (CLD) and client results data (CRD) that are based on a Results Measurement Framework (RMF).

A key objective of the Community Investment Strategy (CIS) is to better align funding to those with the highest need, and to invest in programmes, services and providers that can best meet those needs. Collecting CLD will help us understand who’s receiving the programmes and services we fund and what impact those programmes and services are having on them.

What is Client Level Data?

CLD includes information about a client that typically doesn’t change over time and is identifiable by its nature. It identifies who clients are, where they are located, what programmes and services they receive and when they receive them.

It also includes additional information that tells us what and when programmes or services were accessed.

CLD data includes the following information:

| Client demographic information | Name, Date of birth, Address, Gender, Ethnicity, Iwi and Country of birth |
| Dependants | Number of dependants, Date of birth of youngest dependant |
| Service detail | Programme / service name, start date and end date, source of referral |

What is the Results Measurement Framework and Client Results Data?

We have developed an RMF. The RMF is a measurement system that links performance measures in Provider Outcome Agreements to the bigger results we are seeking.

The RMF has two levels - the population level - which covers high level Government priorities, and the performance level - which looks at individual providers, programmes /services and client results.

We are designing results measures using the RMF for individual programmes / services and also for clusters of services where appropriate.
How will the Ministry use Client Level Data and Client Results Data?

We are introducing CLD requirement in two phases.

**Phase 1:** From 1 November 2016 to 30 June 2017, the Ministry will collect CLD and CRD in an identifiable form and use it in an unidentifiable way. In line with Principle 11 of the Privacy Act 1993, the Ministry will not use this data in a way that will identify an individual.

**Phase 2:** By 1 July 2017 we will move to collecting data for use on an identifiable basis for specific and limited purposes. We will be working between now and the end of March 2017 to determine the privacy and consent considerations that are needed to comply with the use of data in this manner.

We will use the information:

- to plan, implement and improve the programmes and services we fund and you deliver to your clients
- to allow us to decide if those programmes and services are producing positive results for clients
- to provide advice to the Government about the programmes and services we fund
- for auditing, reporting and research purposes to improve programmes and services to clients.

What will the information tell us?

The data will enable us to assess the effectiveness of programmes and services across client groups. This will help us understand what works for different types of clients and will mean that we can target spending more effectively to achieve the best results for clients. By using actual, measurable client data, in time we will be able to build evidence of effective programmes and services in communities.

What does the Ministry expect providers to do when a client declines to share their information with the Ministry?

The collection and supply of CLD to the Ministry is now a contractual requirement for Building Financial Capability services from 1 November 2016.

As a result, it is the provider’s responsibility to work within the requirements of the Privacy Act 1993 to supply this information to the Ministry.

Participation in the Building Financial Capability service is voluntary unlike situations where there is a legislative requirement for the client to receive an intervention, for example, Care and Protection Services, Youth Justice Services and some Work and Income clients. Therefore the client can choose to decline the Building Financial Capability service if they wish.

If a client refuses to have their information shared with the Ministry, the provider may choose to deliver the Building Financial Capability service to the client; however the Building Financial Capability service cannot be funded under the terms of the Provider’s Outcome Agreement with the Ministry.
Work and Income clients who are referred as part of the hardship grant process

A small number of clients are obliged to attend a Building Financial Capability service in order to receive their sixth hardship grant. Work and Income will advise these clients when they are being referred to a Building Financial Capability service that they will need to give the provider their demographic details for sharing with MSD. In the event that the client refuses to do so, Work and Income will manage this on a case by case basis.

Note: the information the provider is seeking from the client in most cases will not be different to what they have already provided to Work and Income in order to receive a benefit. Hence, this is likely to be a rare situation.

Providing Client Level Data and Client Results Data to the Ministry

The Ministry has developed a toolkit for providers to use that includes a collection tool and instructions to help providers collect and upload data securely into the provider portal (SharePoint).

The Ministry will then extract this data securely from the provider portal, into the Ministry’s system. Please refer to Figure One – The data collection process below.

At this stage the data can then be used by the Ministry for analysis, evaluation aggregated summary reporting and research.

Figure One – The data collection process.

Please Note: Providers will be required to submit reports to the Ministry in accordance with their Outcome Agreement.
**When will providers be required to collect and report on Client Level Data to the Ministry?**

The Ministry appreciates that not all providers will be in a position to collect this information from 1 November 2016. In acknowledgment of this, and to allow time for providers to put in place any process changes (that may be required to enable providers to collect and report on CLD in compliance with the Privacy Act 1993 requirements), we will not request this information from you prior to 10 April 2017. The first report on CLD will be for the period 1 November 2016 to 31 March 2017.

After that point, you will be required to report CLD quarterly. From 1 April 2017, we will expect providers to collect and report on CLD for all clients engaged or enrolled in the Building Financial Capability service.

**Who will see the Client Level Data?**

CLD will only be seen by the Ministry’s Data Analysts who will use it in an unidentifiable form for reporting purposes. All Ministry staff are subject to the Ministry’s Code of Conduct which prohibits the misuse of data. It will not be seen by the Outcome Agreement Contract/Relationship Manager.

**Complying with the Privacy Act 1993**

This data collection requires both the Ministry and the provider to ensure that all personal information relating to the Building Financial Capability service is kept secure and complies with the Privacy Act 1993.

To ensure adherence to privacy best practice, providers are required to notify clients that the client data they are collecting will be shared with the Ministry to be used in unidentifiable form for analysis, evaluation, aggregated summary reporting and research purposes.

**What reports are required by the Ministry?**

Reporting is required to meet the contractual obligations set out in the Outcome Agreement. Reporting is necessary to ensure accountability to Government for the funding provided under the Outcome Agreement. The Ministry has agreed on the quantity and nature of the Services the funding supports, and is required to report to Government that this has been achieved.

The following reports must be completed and sent to your nominated Community Investment Advisor on the dates set out in the Outcome Agreement:

- client level data reporting– a tool will be supplied to the provider by the Ministry. Providers are not required to report client level data to the Ministry until this tool is supplied.
- service result measure reporting (in line with the RMF Performance Level) are to be reported to the Ministry through your regular Provider Return Reports attached to the Outcome Agreement and listed below.

The RMF for Building Financial Capability service is attached as Appendix Two.
# Building Financial Capability Client Level Data and Service Result Measures

The provider will report on the following CLD and service result measures, in line with the RMF:

<table>
<thead>
<tr>
<th>Type of measure</th>
<th>Measures (during the reporting period)</th>
<th>Information collected through</th>
</tr>
</thead>
<tbody>
<tr>
<td>Client demographic information</td>
<td>Name, Date of birth, Address, Gender, Ethnicity, Iwi and Country of birth</td>
<td>Client level data reporting tool</td>
</tr>
<tr>
<td>Dependants</td>
<td>Number of dependants Date of birth of youngest dependant</td>
<td></td>
</tr>
<tr>
<td>Service detail</td>
<td>Programme / service name, start date and end date, source of Referral</td>
<td></td>
</tr>
<tr>
<td>Quantity How much?</td>
<td></td>
<td>Service result measure reporting</td>
</tr>
<tr>
<td></td>
<td>• # of new clients referred</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Of the total new clients referred, # of clients who started the service</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Of the clients who started the service, # of clients who closed</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• # of individual client (financial mentor) sessions</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• # of group (MoneyMates) sessions</td>
<td></td>
</tr>
<tr>
<td>Quality How well?</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Of the clients who closed, # of clients who provided formal ‘client satisfaction’ feedback</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Of the clients who provided client satisfaction feedback, # who reported they were satisfied or very satisfied with the service</td>
<td></td>
</tr>
<tr>
<td>Result Measures Is anyone better off?</td>
<td>Of the clients who closed:</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• and who presented with debt, the # who reduced their total debt (comparing pre and post intervention; provider reported)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• # who report being better able to meet their families / whānau basic needs and obligations (comparing pre and post intervention)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• # who report having greater financial confidence and capability (comparing pre and post intervention)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• the # with most of their goals achieved, or evidence of ability to achieve their goals without further support</td>
<td></td>
</tr>
</tbody>
</table>

**Narrative Reporting to support the data:**

1. What is the ‘story behind the data’? (eg environmental factors that could affect client results including issues, gaps, overlaps and trends)
2. What are your areas for improvement towards achieving better results for clients (continuous improvement)?
3. Who are your partners that help you achieve results, and what joint activities have you participated in?
4. What combination of services do you think is most effective for your clients (if applicable)?
5. Provide examples of strategies or practices used to encourage ‘hard to reach’ clients to engage
6. Provide an explanation of the variances (if any) between volumes contracted and volumes delivered
**Definition of client**

A client is defined as an individual or family/whānau who agree to engage with the provider regarding their financial situation through Building Financial Capability services. Typically, this is someone who engages with financial mentoring or MoneyMates services. It may encompass family and whānau or others who deemed by that person as relevant to that person’s economic circumstances and the financial mentoring or MoneyMates services provided.

**Units of measure**

The contracted volume measure for Building Financial Capability services is ‘sessions’.

The session can be used for both core frontline components. It reflects a meeting with a client, or clients, and includes:

- a one on one meeting with one client (financial mentors)
- a group meeting with multiple clients, as a part of a group programme (MoneyMates).

In this model, the session reflects a financial mentor’s time, rather than a number of clients. This means the contracted volume will be for the number of sessions to be delivered by a provider.

Contracting sessions will give providers the flexibility to better respond to client’s needs. Providers will not be required to deliver a set number of MoneyMates or financial mentoring sessions per year, but will deliver the Services as required.

Provider sector representatives have emphasised the importance of capturing client time and administrative functions in each session. They advised that for every client contact hour, between one to two hours of non-contact time would be required. Based on this feedback, a ratio of 1:2 was agreed meaning that a session is indicatively considered as a three hour time period.

Accurate reporting will be essential. As this is a flexible model which enables providers to deliver services as they see fit, reporting includes:

- number of clients who closed during the reporting period
- number of sessions for financial mentors in the reporting period
- number of sessions for MoneyMates in the reporting period

The Outcome Agreement specifies minimum session volumes.

**‘Closed’ clients**

A client should be recorded as ‘closed’ when:

- they have completed their plan / achieved the goals they set with their financial mentor, and they no longer require support
- they have completed a MoneyMates group and no longer require further support
- they have failed to turn up for a period of time, and the provider considers it appropriate to close their file.

If a client is accessing both MoneyMates and financial mentoring, then count them as a client just once until they ‘close’. Through your Outcome Agreement, you will also be
recording the number and type of sessions (financial mentoring or MoneyMates) the client is attending.

‘No show’ clients

The Building Financial Capability service model is based on sessions which include client time and administration time. The demand for Building Financial Capability services is expected to be high, and the Ministry expects that ‘no show’ spots will be used to complete administration tasks that are funded as a part of a session, or filled with another client if possible.

We understand that last minute cancellations and ‘no shows’ are unavoidable, and it can be very hard to fill this session space. We also recognise that a ‘no show’ would require less than the full session time available. While there is likely to be some face-to-face time lost, there could be pre- and post-appointment work required. Therefore, any cancellation or ‘no show’ that occurs within 24 hours of the session will be quantified at 50% of the full session rate (i.e. 1.5 hours), reflecting the pre- and post-appointment work required. For reporting purposes, a completed session equals two ‘no shows’. This should be supported by details of ‘no shows’ in your Provider Return narrative report.

As we refine the referral process with Work and Income we expect the number of Work and Income clients that are ‘no shows’ to decline. We also expect that there will be a number of clients that are difficult to engage with and envisage that you will develop strategies to engage these hard to reach clients, to mitigate possible ‘no shows’. Over the period of the contract, we will be monitoring the number of ‘no shows’ as well as the associated issues which should also be captured in your contract reporting.

Family Services Directory

Throughout the term of an Outcome Agreement with the Ministry, providers must ensure that their organisation is listed in the Ministry’s Family Services Directory (http://www.familyservices.govt.nz/directory) and that necessary information is updated when required.
Appendix One – Financial Mentor services

When a client seeks support or assistance, the provider will first assess the client’s needs and agree with him or her to provide one or all of the following:

- assistance and support to address immediate crisis financial situation(s)
- assistance and support to address on-going, chronic financial problems
- specialist interventions (e.g. focused specialised support). In providing specialist interventions the provider will need to ensure that:
  - the staff involved have had specific training and hold relevant qualifications where applicable,
  - there are suitable governance and administration systems in place to manage the higher risks involved
  - clients are not being taken advantage of.

Financial mentoring will be based on the Financial Plan of Action and may include:

- client’s options during an immediate crisis such as: eviction notice or food shortage
- referral to other community / social service agencies
- access to a food bank
- options and support concerning access to a benefit or other entitlements
- assisting clients to identify ways to increase their income or build their resources (including non-financial) to improve their financial position
- provision of information and resources (e.g. ‘self-help’ booklets and guides)
- options about income and expenditure patterns and ways to reduce spending
- client-related support or advocacy, i.e. assistance with interpersonal engagement concerning financial matters
- general credit advice and options, e.g. before signing a contract
- building an understanding of the client’s financial situation / general situation including review of relevant documents
- debt schedule
- cash flow
- supporting client with development of a ‘balanced budget’
- options and advice about banking systems
- supporting the client with creditor negotiation, including client-related advocacy if required, and related repayment plan
- options concerning employment and other income opportunities
- options concerning legal / consumer rights and options
- options and assistance with respect to identifying and addressing elder abuse (specifically financial).

Specialist interventions

The provider may supply specialist interventions in relation to, for example:

- insolvency
- No Assets Procedures (NAPs)
- Summary Instalment Orders (SIOs)
- mortgagee sales, complex contracts, etc.
- significant financial issues related to, for example, mental health, addiction, literacy, disability etc.
Appendix Two – Results Measurement Framework

## Community Investment Strategy Results Measurement Framework

### Building Financial Capability Services

Providing a line of sight for MSD and Providers - what are we contributing towards?

### Priority Result: Supporting vulnerable children and children in hardship, and reducing maltreatment

<table>
<thead>
<tr>
<th>Intermediate Outcomes</th>
<th>Population Indicators (to be developed)</th>
<th>Services</th>
<th>Theory of Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>New Zealanders’ beliefs, attitudes, awareness and knowledge about child maltreatment is improved</td>
<td>Population indicators from a variety of sources (eg MSD, MoF, MoL, MoL, Corrections, Police and other agencies, administrative data, population surveys) will measure medium to long-term progress against intermediate outcomes</td>
<td>Building Financial Capability Services</td>
<td>Design and deliver client and whānau centred, strength-based, adaptive, accessible and culturally-relevant financial capability products and services that reflect the diversity and complexity of people and whānau circumstances.</td>
</tr>
<tr>
<td>New Zealanders’ are motivated and supported to act on concerns about child maltreatment</td>
<td>Sustained change at the population level will take time to observe for some outcomes, and in some instances be only indirectly or weakly attributable to programmes</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Family / whānau and caregivers have the knowledge and skills to nurture their health and healthy living</td>
<td>Work with peoples and whānau natural support and services that reflect the diversity and complexity of people and whānau circumstances, when and how they need it.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Children / tamariki are resilient and have their physical and mental health needs supported</td>
<td>Celebrate and build on peoples, their family and whānau small and large successes (both financial and non-financial)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Children / tamariki who experience trauma, have illness or disability, have improved opportunities and life outcomes for tamariki and caregivers</td>
<td>Use meaningful and robust research, monitoring and evaluation to ensure an adaptive and innovative financial capability service system</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Children / tamariki who have had ‘out of home’ care are supported to lead safe and healthy lives, participate fully in society and sustain</td>
<td>We will help improve:</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Which will contribute to:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>People, their family and whānau who are in debt are supported to reduce debt</td>
<td></td>
<td>For the ultimate goal of:</td>
<td></td>
</tr>
<tr>
<td>People, their family and whānau have their basic needs protected, for example, access to rent, power and food</td>
<td>Reduced unproductive debt</td>
<td>Improved well-being of people, their family and whānau</td>
<td></td>
</tr>
<tr>
<td>People, their family and whānau are supported to improve their financial confidence and capability</td>
<td>Reduced stress caused by financial problems</td>
<td>Improved opportunities and life outcomes for tamariki / children</td>
<td></td>
</tr>
<tr>
<td>People, their family and whānau are enabled to access appropriate financial products and services, when and how they need them</td>
<td>Improved financial confidence and capability</td>
<td>Improved social and economic inclusion</td>
<td></td>
</tr>
<tr>
<td>People, their family and whānau are empowered and supported to achieve their financial goals</td>
<td>Improved resilience to cope with financial shocks</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### If we:  
- Of the clients who started the service, % of clients who closed during the reporting period  
- Of the total new clients referred, % of clients who provided formal 'client satisfaction' feedback  
- Of the clients who provided client satisfaction feedback, % who reported they were satisfied or very satisfied with the service  
- People, their family and whānau are in debt  
- People, their family and whānau have their basic needs protected, for example, access to rent, power and food  
- People, their family and whānau are supported to improve their financial confidence and capability  
- People, their family and whānau are enabled to access appropriate financial products and services, when and how they need them

### For the ultimate goal of:
- Improved well-being of people, their family and whānau  
- Reduced unproductive debt  
- Reduced stress caused by financial problems  
- Improved financial confidence and capability  
- Improved resilience to cope with financial shocks  
- Improved opportunities and life outcomes for tamariki / children  
- Improved social and economic inclusion

### Individual client level data

<table>
<thead>
<tr>
<th>Client: Name, Date of birth, Address, Gender, Ethnicity, iwi and Country of birth</th>
<th>Service detail: Programmes / service name, start date and end date, Source of Referral</th>
<th>Dependents: Number of dependents, Date of birth of youngest dependant</th>
</tr>
</thead>
</table>

### Quantity Measures

- # of new clients referred during the reporting period  
- # of clients who started the service during the reporting period  
- # of clients who started the service, % of clients who closed during the reporting period  
- # of financial mentor sessions during the reporting period  
- # of MoneyMates sessions during the reporting period

### Quality Measures

- Of the clients who closed during the reporting period, % of clients who provided formal 'client satisfaction' feedback  
- Of the clients who provided client satisfaction feedback, % who reported they were satisfied or very satisfied with the service

### Client Result Measures

Of the clients who closed during the reporting period:
- % of clients who reduced their total debt (comparing pre and post intervention; provider reported)  
- % who report being better able to meet their family / whānau basic needs and obligations (comparing pre and post intervention)  
- % who report having greater financial confidence and capability (comparing pre and post intervention)  
- % who completed the service with most or all of their goals achieved, or evidence (in workers opinion) of ability to achieve their goals without further support

### Narrative Reporting

Provider narrative reporting to support data reported:
1. What is the "story behind the data" (eg environmental factors that could affect client results including issues, gaps, overlaps and trends)  
2. What are your areas for improvement towards achieving better results for clients (continuous improvement)?  
3. Who are your partners that help you achieve results, and what joint activities have you participated in?  
4. What combination of services do you think is most effective for your clients?  
5. Provide examples of strategies or practices used to encourage "hard to reach" clients to engage  
6. Provide an explanation of the variances (if any) between volumes contracted and volumes delivered
# Appendix Three – Provider Feedback Form

Please send to:
Manager
Planning & Performance
Community Investment
National Office
PO Box 1556
WELLINGTON

OR
Community_Investment_Information@msd.govt.nz

| Suggested change to the Building Financial Capability services Guidelines |
|---|---|
| **Topic** | **Reference (section/page)** | **Suggested change/description** |
|  |  |  |

Contact Name:  
Position:  
Provider name:  
Provider postal address:  
Provider email:  
Provider phone:  
Date:  

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