

A few providers said they had not yet introduced MoneyMates into their service but were running similar wānanga group focused sessions which brought together both men and women in separate spaces to discuss their money matters.

*When we have our wāhine groups and tāne groups we also have BFC in them and that is the time actually that our older men open up about their finances is when they are in their men's group.
(Northland provider manager)*

Considerations and recommendations

Continue the evaluation of MoneyMates if further training for providers is implemented and/or there are substantial changes to the programme. Consider approaches to group work described by providers in the BFCF initiatives (Section 3.4).

3.4. MoneyMates Fund (MMF)/BFC Fund (BFCF)

The MoneyMates Fund (MMF) targeted groups, organisations or collaborations who were working in communities with an identified need for improved financial wellbeing. Providers submitted applications for initiatives focused on generating community conversation or delivering innovative projects to build financial capability.

A total of 45 providers delivered MMF initiatives across three funding rounds that ran from 2016 to 2018. In late 2019, we analysed information from a further 18 BFCF and six MMF provider reports not submitted in time for inclusion in the 2018 MMF evaluation report. The evaluation also included interviews with providers and clients involved with six initiatives.

Most providers in the 2019 analysis focussed on increasing the number of clients engaged with BFC or financial capability services, either by making it easier for clients to access services or by making it easier for clients to engage with services. Over half the BFCF initiatives attempted to reach people from cultural or ethnic groups who were more likely to experience financial hardship, including Māori, and/or less likely to access BFC services including Pacific Peoples, refugees and migrants. Eight of the initiatives targeted people whose location made it difficult to access BFC services.

A small number of providers aimed to relieve client financial hardship through direct intervention, either providing or supporting microfinance for debt relief or providing a credit alternative to lending trucks. Direct intervention and online initiatives had longer development phases so were early in the delivery phase but initial outcomes were promising.

Four initiatives, primarily the direct intervention initiatives, aimed to reach people whose needs were not met by a current BFC product (for example, current microfinance products could not be used for debt relief). The two initiatives which aimed to reach clients engaged

with Total Money Management and people needing assistance to manage problem debt were providing new forms of support to clients already reached by BFC services.

Providers appeared to be more successful when they took a holistic view and considered the multiple barriers experienced by clients. However, addressing those increased the complexity and resource/time requirements for implementation.

All initiatives experienced challenges in implementation. Many challenges matched those experienced by MMF initiatives. Development of online or app-based digital initiatives took longer than providers expected, making fitting them within the BFCF timeframes challenging.

Considerations and recommendations

Evaluations of MMF and BFCF initiatives have identified approaches to increasing engagement with BFC services that could be incorporated into core BFC services.

Providers reported cultural considerations when designing initiatives increased client engagement and a sense of comfort. There may be opportunities to increase support for cultural adaptations to core BFC services. Future initiatives could focus on opportunities to test approaches to reaching other groups under-represented in the BFC client group, for example Asian people and clients at the ends of the age spectrum (older and younger).

Developing larger-scale or longer-term interventions based on effective approaches to increase engagement with BFC services could provide opportunities to quantify the benefits of the most promising MMF and BFCF approaches.

3.5. BFC Plus

BFC Plus was an intensive product designed for people with the highest levels of financial hardship and other social and health challenges. BFC Plus required a workforce with empathy, a non-judgemental attitude, ability to identify a range of client issues and financial expertise. Clients were often in crisis situations financially while also dealing with multiple other health and social issues. The stress of financial difficulties exacerbated other issues, and vice versa. Self-referred clients were easiest to engage, while those coming from Work and Income could be more challenging.

An evaluation of Ngāti Kahungunu ki Poneke Whānau Services (KWS) was the focus of work for a hard to reach workstream which was part of BFC Plus. The KWS evaluation charts the journey of a kaupapa Māori organisation approaching BFC from Te Ao Māori, using Mātauranga to achieve Whānau Ora outcomes. KWS operate their service to reach whānau who have many and complex needs. These whānau are often labelled 'hard to reach' but KWS reach them by recognising the potential in whānau and supporting them to strengthen their mana. Whānau often hear about KWS through word of mouth.

KWS developed a kaupapa Māori BFC tool, Mauri Oho. Mauri Oho is a journal that charts whānau aspirations and achievements and enables financial capability planning. It was important that the evaluation positioned the mahi KWS undertook within the bigger picture of BFC, but even more important to position the project within Te Ao Māori.

Mauri Oho took the kaupapa of KWS and crafted it into a tool that delivers a road map to Whānau Ora, incorporating sustainable financial capability. The kaimahi who work alongside whānau to use the tool are critical to its success. Ongoing training for staff, alongside the compassion and commitment that they bring to their work with whānau is an important part of delivering Mauri Oho to whānau.

BFC Plus changed in late 2018 and a new service introduced in 14 areas identified by MSD as having identified by MSD as having the highest level of deprivation⁵. Instead of having a high number of providers providing the more intensive BFC Plus services, a smaller number of providers employ kahukura who deliver BFC Plus to high-need clients referred from other BFC providers in their areas as well as work to build the capacity of their financial mentors.

Kahukura work with clients who meet specific criteria, which includes multiple disadvantages. They work within a strengths-based framework to support clients, families and whānau to achieve their wellbeing goals. Kahukura practice follows Tikanga Maori and Pacific frameworks which have been developed to deliver optimum client experience. Client outcomes include improved wellbeing and improved social and economic inclusion.

Kahukura carry out three key tasks:

- Intensive one-to-one case management with clients, families and whānau.
- Navigation and co-ordination services.
- Building holistic capability within their communities through their clusters.

BFC Plus was evaluated in the first year of the evaluation. The kahukura service has not been evaluated.

Considerations and recommendations

Consider whether evaluation of kahukura services is an evaluation priority.

3.6. Money Talks

MoneyTalks replaced the National Building Financial Capability (BFC) Helpline and was designed to extend the reach of BFC services. It is operated by FinCap and offers email, text and online messaging (through the MoneyTalks website) in addition to continuing the toll-

⁵ <https://www.msd.govt.nz/documents/about-msd-and-our-work/publications-resources/service-guidelines/building-financial-capability-plus-service-guidelines-f20-and-f21-april-2019.pdf>

free phone line. MoneyTalks provides people with access to budget advice and/or referral to frontline BFC services. In response to the 2020 survey of managers, just under half of BFC provider managers (48%) agreed that MoneyTalks was strengthening the sector.

FinCap staffed MoneyTalks with four people. Some had previous financial mentoring experience and some were new financial mentors. MoneyTalks provided a good environment for developing staff because senior staff could listen in on calls and provide advice during and after. Staff emphasised the importance of having a good understanding of financial issues clients may be facing and knowledge of resources clients could access.

Between August 2018 and June 2019, MoneyTalks had 6,896 contacts with clients. The freephone line was the most popular way for clients to contact MoneyTalks, followed by email. The profile of MoneyTalks clients broadly matched that of all BFC clients, although there may be slightly more over-65 MoneyTalks clients compared to all BFC clients⁶.

MoneyTalks benefitted the financial capability sector, clients and agencies:

- **MoneyTalks provides a single referral destination** - making it easy for organisations encountering clients experiencing hardship to connect them with advice.
- **MoneyTalks increases BFC reach.** Some MoneyTalks clients said they would not previously have considered seeing a BFC service. Their reasons included a lack of knowledge about these services or fear and shame about discussing financial issues. MoneyTalks provided an anonymous way for clients to begin discussing financial issues and to see the value of BFC.
- **Clients said the MoneyTalks staff they talked to were warm, empathetic and non-judgemental**, which was important to build rapport in the short time available. Many clients who contacted MoneyTalks had multiple debts and/or struggled with balancing their income with their expenses, particularly due to the cost of housing and other living costs.

The potential risk that the advice clients received from MoneyTalks allowed them to access short-term solutions was mitigated by the emphasis MoneyTalks placed on referring most clients to a BFC service for ongoing advice and support. After contacting MoneyTalks, almost two-thirds of clients were referred to a BFC service or other budgeting service for mentoring. Around one-quarter of contacts received general or detailed advice from MoneyTalks and 6% received both advice and a referral. A few clients completed budgets over the phone.

⁶ Age, ethnicity and information about how clients discovered MoneyTalks was available for around half of clients.

Considerations and recommendations

The evaluation identified opportunities to strengthen MoneyTalks by:

- Continuing to build awareness of MoneyTalks through direct promotion to clients and through other organisations encountering clients experiencing hardship.
- Improving administrative data collection by recording client demographic profiles and reasons for contacting MoneyTalks
- Following-up on referrals to BFC services to allow a better understanding of the effectiveness of MoneyTalks as a referral pathway and of client barriers to engaging with face-to-face financial mentoring.
- Collecting client feedback to allow ongoing evaluation of MoneyTalks to assess how well it is meeting client needs.

3.7. The Generator

The Generator is a programme which gives support, mentoring and seed funding to help people start their own microenterprise, community action or social enterprise. The Generator has the potential to provide opportunities for clients to improve their financial position while also building financial capability. Clients taking part in The Generator are called Generites.

The Generator is delivered using a partnership approach between MSD, Emerge Aotearoa and Vaka Tautua. A formative/process evaluation of The Generator in early 2020 was based on summary administrative data provided by The Generator and 17 semi-structured interviews with The Generator team and other key stakeholders⁷.

The original Generator Charter defined the scope of work for The Generator to include:

- Microenterprise – small seed funding investment that stimulates income generation that can be invested back into sustainable enterprise
- Social enterprise - purpose-driven organisations that trade to deliver economic opportunities and employment
- Community action – Cooperatives – shared purchasing, green dollar exchange schemes, shared childcare, ridesharing, events and activities that stimulate economic opportunities.

Microenterprise was by far the most common of the three types of project. Development of the supporting tools and resources therefore focused on meeting the needs of microenterprise Generites. There were fewer community action and social enterprise

⁷ The report from the evaluation is still in the draft stage receiving feedback from MSD. Client outcomes were out of scope for this evaluation.

projects and they appeared to be more difficult to identify and support. Some stakeholders thought more of those projects would emerge once a foundation of financial capability was built within a community through successful microenterprise projects.

Three models of working

Three models of working were used to explore how The Generator can be delivered:

- In-house generators – delivering The Generator through the non-government organisations (NGOs) which are partners in The Generator contract (Vaka Tautua and Emerge)
- Sub-contracted generators – Sub-contracting NGOs to employ Community Generators
- Hub and spoke model – Engaging Community Champions to help deliver The Generator with the support of the national coordinator.

The three different models of delivering The Generator (hub and spoke, in-house provision and sub-contracted) are all operational and each have their own advantages.

Summary of outputs

The Generator is operational and has provided support, mentoring and seed funding to more than one-hundred projects around New Zealand. There has been a steady increase in the total number of Generites from March 2019 to March 2020). The total number of Generites is now 382 with a mean of 29 new applications per month.

Over one-third (37%) of Generites had received their first payment, with the mean funding requested being \$3,660. Most Generites were asking for one- to five-thousand dollars, with over one-quarter asking for one- to two-thousand dollars.

The Generator was helping to fund and set up account for 85% of projects. Seed funding usually included materials or tools to help Generites start their project.

Emerging outcomes for Generites included increased financial capability and personal wellbeing. The Generator provided pathways for Generites to access other BFC services. Stakeholders believed that positive outcomes for Generites did not rely on creating a successful business, though that would be a positive outcome, but instead came from the capability building through the Generites' journeys with The Generator.

Considerations and recommendations

The Generator is important in providing the 'opportunities' component of the COM-B model.

Evaluation is required to monitor the outcomes achieved and identify opportunities for refinement., learnings from individual initiatives and the overall process should inform development of other services.

4. BFC Clients

4.1. BFC client caseload

Information about who is being reached and outcomes for 31,884 BFC clients is sourced from administrative data from 125 MSD-funded providers using Client Voices and interviews with BFC service providers and clients.

The number of active clients in Client Voices remained relatively static across all providers in 2019 (Figure 2) with around one-third of the total caseload being opened and one-third closing in each quarter.

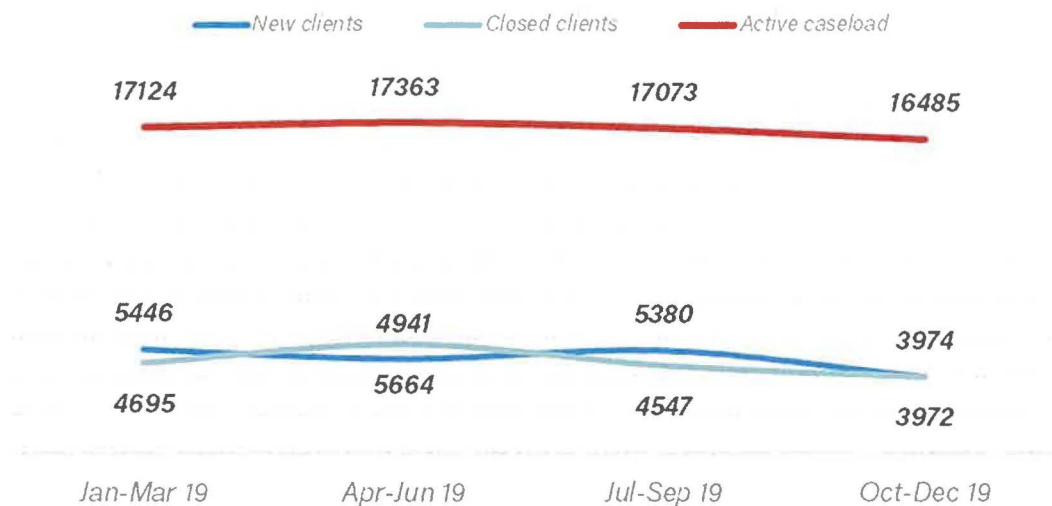


Figure 2. New, closed and active clients by quarter as recorded in Client Voices.

4.2. Referral trends

In Q4 2019, self-referrals were the most common type of referral (42%) to BFC services. Work and Income had been key referrers until a policy change meant that case managers were no longer required to refer Work and Income clients when they reached a hardship grant threshold. Work and Income referrals decreased from 31% in Q1 2018 to 17% in Q4 2019 (Figure 3).

Providers noted that as they have formed relationships with organisations and individuals, there has been an increase of referrals through *word of mouth, family and friends, education providers and community groups*.

I get Housing New Zealand [referrals] all the time. I was with women's refuge as well. (Auckland financial mentor group)

Our [location] office is really busy, we're booked up for weeks in advance. We get referrals from Salvation Army, Emerge Aotearoa, Work and Income, Strive. There are a lot of services sending us

clients and we collaborate with these services including the marae, MPS, [community services], CAB. (Auckland financial mentor group)

For providers within wrap-around services, their internal services were a source of increasing referrals.

Most walk-ins I get are our [service] clients and they know there is a budgeting service. (Auckland financial mentor group)

We have the pūtea community food bank [and] I'd say 40% of our clients come through our food bank referrals. (Bay of Plenty financial mentor)

Referrals that we are doing, we are just taking from each other [from our internal] service. We've got close to 100 clients for budgeting internally. (Wellington provider manager)

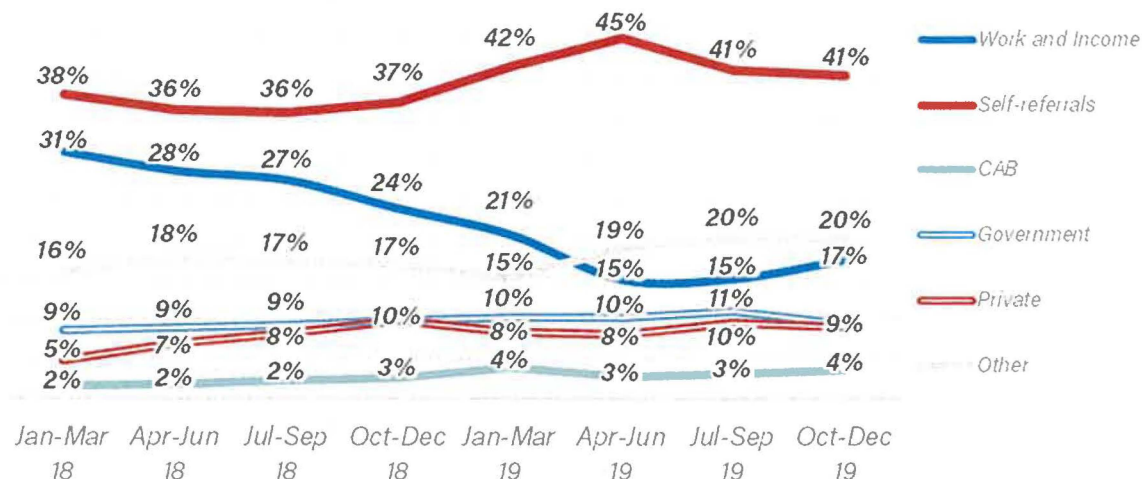


Figure 3. Clients referral source by opening quarter as recorded in the Client Voices for 2018 (n = 22,603) and 2019 (n = 19,734).

4.3. Who is being reached by BFC services

BFC services supported a range of clients with different needs and reasons for seeking support. Some engaged because they anticipated a change in income as a result of employment or life changes. Others required intensive ongoing support that could include total money management. Some received one-off support, some received multiple sessions and a few were part of MoneyMates groups.

Client demographics profiles were compared against the national population distribution and nation distribution for the deprived population (NZDep score quintiles 3-5). The oldest age groups were represented at lower levels than their population proportion living in economically deprived localities (Figure 4). Clients were also more likely to be female (65%) than male (35%).

Feedback from providers and analysis of Client Voices data from 125 providers for 2019 showed most active clients were concentrated in the 26 to 65 age groups (80%).

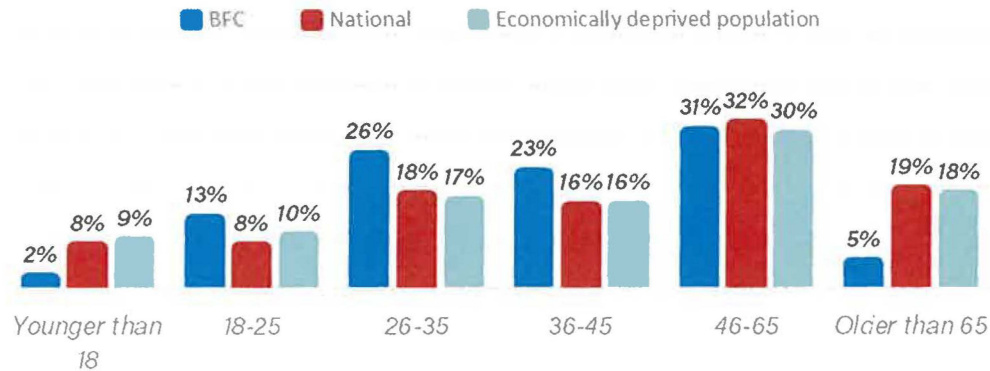


Figure 4. Age of clients active in 2019 as recorded in the Client Voices (n = 31,052).

Many clients were beneficiaries (66%) but 26% of clients received income from salaries and wages. Of the clients that had income items present in their budget sessions information over half (56%) earned less than \$30,000 a year. A large proportion of the remaining clients earned between \$30,001-\$50,000 (31%) with the remaining 14% earning more than \$50,000.

The two main reasons for client engagement were recorded through Client Voices (Figure 5)⁸. Amongst those with a reason recorded, the impact of life changes on finance were common reasons for engagement – work instability, partnership breakdown, loss of job or increased living costs. Credit and loans were identified for one in five (22%) clients.

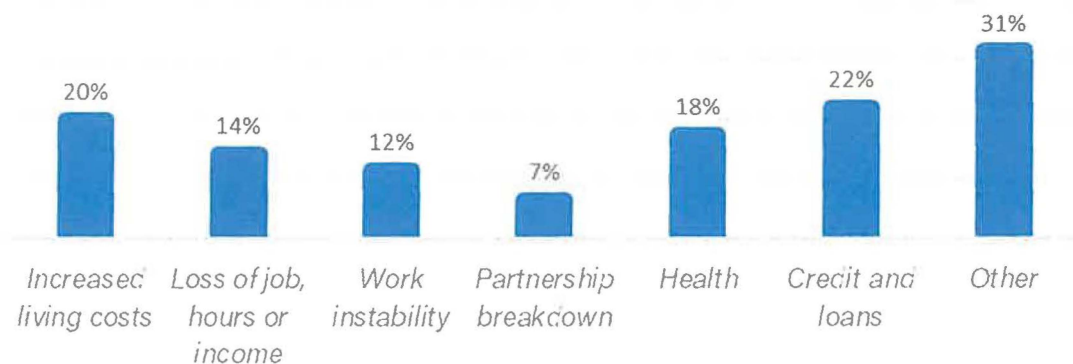


Figure 5. Main reasons for client engagement for clients opened in 2019 as recorded in the Client Voices (n = 19,739). There were two reasons for engagement entered by some clients and no further details on the 'Other' category were available.

⁸ Around one-third (31%) of clients opened in 2019 did not have a reason for engagement recorded.

The client profiles below are based on interviews with BFC providers and their clients and whānau.

Not enough income - clients who regularly found their income could not meet their weekly expenses - often beneficiaries.

Once rent and bills were paid clients had little left over for food or other expenses. Clients attended BFC services to meet a requirement from another agency or to seek help in managing an accumulation of debt/bills. Many clients wanted to attend just one budget session either for one off budgeting advice. Some believed they still needed to fulfil a Work and Income requirement. The challenge for BFC providers was to keep clients engaged and coming back for more sessions to improve their financial capability.

For beneficiaries, after the rent there is no money. They just live off finance, door to door salesmen, in which some of them get food. Most people's rents [are] \$500+ therefore they live on food parcels and come here to us to act on their behalf. (Auckland financial mentor 3)

BFC services helped clients to budget and provided access to food parcels for those who needed them. Providers adapted to working with these clients by offering a compassionate approach and eliminated any stigma clients felt about approaching the BFC service. Regular check-ins, food parcels, aiding transport and providing budgeting advice that made sense kept these clients engaged long-term.

- **Motivation:** Motivated by the need to meet a Work and Income or other requirement for a BFC attendance, and can be frustrated by the implication their budgeting skills are inadequate.
- **Capability:** Often already effective budgeters and good at making the most of limited resources.
- **Opportunity:** Income increases through access to Work and Income entitlements and/or access to food parcels.
- **Behaviour:** Scope for change limited by level of income.

Crisis Management - clients who were generally managing their week to week finances but encountered a crisis they were not able to manage.

Examples included divorce, death or injury to the primary whānau income earner, or becoming homeless. When sudden life events happened, clients were left with an ongoing deficit and/or a large expense to manage. They needed help adapting to their new financial situations. Providers offered their clients wrap-around support and a comfortable, empathetic environment to support them both mentally and financially.

We deal with the emotional side of things as well; marriage break ups. I have clients who are suicidal, the financial stress creates other ailments they get sick. (Auckland financial mentor 2)

- **Motivation:** Seeking relief from sudden financial distress

- **Capability:** Varied on a case by case basis. Some clients had never budgeted before because their spouse took care of finances. Other clients had experience budgeting but needed help managing a large and sudden debt they had accrued.
- **Opportunity:** Chance for debt reduction and consolidation through provider intervention with banks and loan services.
- **Behaviour:** Change depended on client's emotional/financial situation. Clients financial situations typically improved considerably because of engagement with BFC services.

Wider wellbeing issues - clients with a range of issues affecting their wellbeing and their ability to manage their money.

Some clients had mental health problems and intellectual disabilities which were barriers to financial capability.

- **Motivation:** Clients were motivated by the need to improve their money management, many needed debt consolidation and were struggling to make ends meet.
- **Capability:** Below average financial capability. Clients regularly needed help with writing things down and extra support throughout sessions. The chance to get sound budgeting advice, set up a plan and receive ongoing guidance was valuable for these clients.
- **Opportunity:** Opportunities to change were often limited by low incomes.
- **Behaviour:** Financial capability improved, and clients built positive relationships with their financial mentors, change was often limited by the client's intellectual and mental wellbeing.

BFC providers supported clients on a case by case basis and worked to build rapport and trust while providing easy-to-understand budgeting advice.

... battling depression and all of that. It's hard to say, all I can say now is I'm miles ahead from where I was before. And a big chunk of that was from their support. [It was great] to have an agency like [BFC provider] to tell you the light of the end of the tunnel isn't a train. (Top of the South client 2)

Loans were the main type of client debt and accounted for over half (58%) of the total debt from clients who were opened in 2019 (Figure 6).

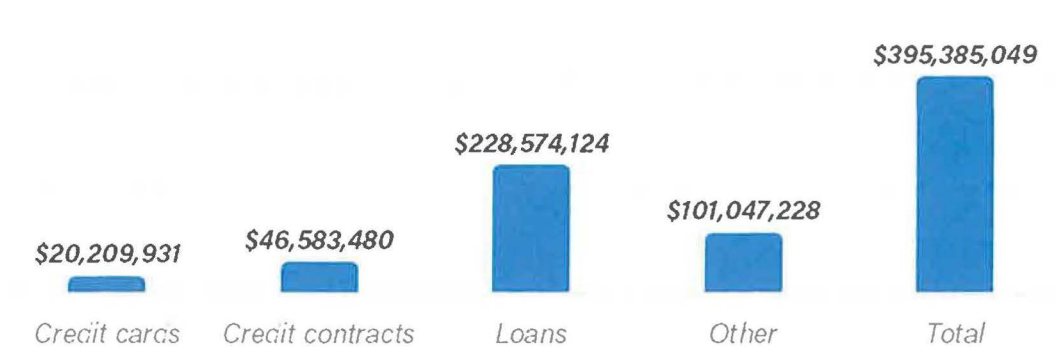


Figure 6. Debt held by clients opened in 2019 by debt type as recorded by debt schedules in the Client Voices (n = 12,168).

Service providers recorded the source of client debt in the Client Voices system (Figure 7). Mortgages accounted for the largest share of client debt recorded (28%), followed by finance companies (21%) and bank loans and credit cards (19%).

Clients had a median debt of \$11,951. The average was much higher, showing the effect of high value debts such as mortgages.

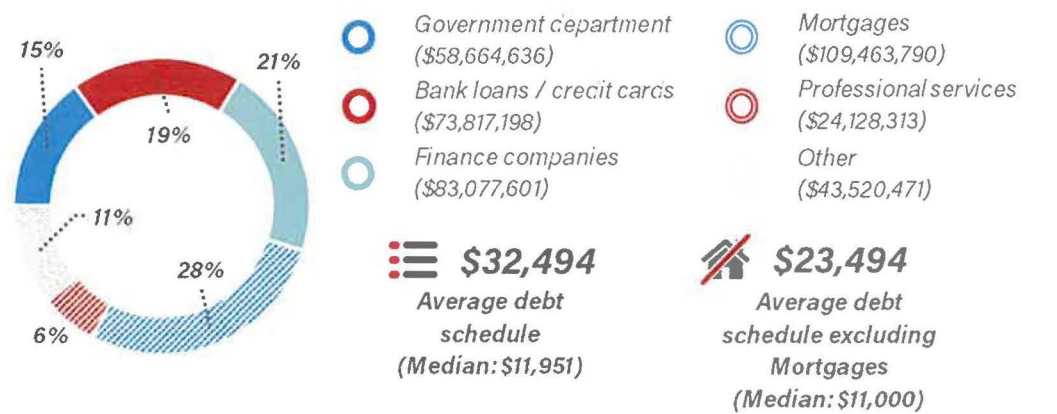


Figure 7. Debt sources from debt held by clients opened in 2019 as recorded by debt schedules in the Client Voices (n = 12,168).

4.4. Ethnicity of BFC clients

Clients who identified as New Zealand European or Asian were under-represented in BFC services compared to their national or economically deprived population proportions (Figure 8). Māori engagement was the opposite, with Māori clients over-represented (40%).

Pacific peoples are being reached at a slightly higher rate than in the economically deprived population with 14% of clients from Client Voices identifying as a Pacific ethnic group.

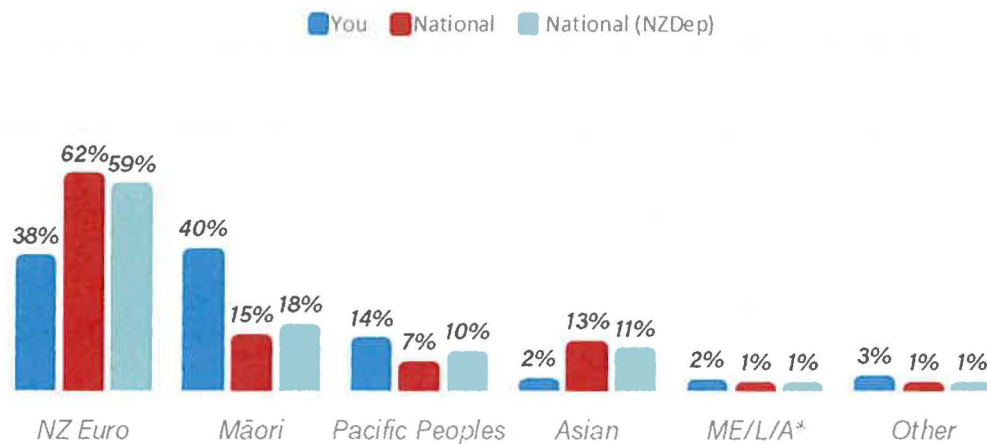


Figure 8. Clients ethnicity as recorded in the Client Voices (n = 31,233). *ME/L/A is the shortened form of Middle Eastern/Latin/African.

The importance of kaupapa Māori services for Māori clients is well established across the health and social sectors. Kaupapa Māori services generally provide holistic and whānau focussed support. In collective communities and to address the complex needs of many BFC clients, holistic and whānau focussed support is essential to achieve positive outcomes for clients.

For kaupapa Māori and Pacific providers, Whakawhanaungatanga and teu le vā were core principles of engagement therefore addressing the budget may not have been at the forefront of the first sessions.

Trust and rapport might take three session to get them comfortable to bring in paper work and actually be honest about their financial situation. Others might do it in one session. First engagement phase might take a number of weeks, might get there and think great, and you realise something not right. (MidCentral provider manager)

We need to understand the client where they're at this moment. As the relationship builds there's that trust. (Auckland provider manager)

Kaupapa Māori and Pacific providers with the potential to build financial capability may therefore be NGO services that do not specifically focus on building financial capability. For example, iwi health providers, services that support people with addiction issues, family violence and sexual violence crisis support providers.

BFC providers interviewed for the community case studies identified the benefits of kaupapa Māori services but also a shortage of services.

The majority of our clients are Māori and Pacific, so therefore that should be our starting base.

The incorporation of kaupapa Māori and understanding of te ao Māori by BFC service providers created meaningful connections with clients. The ways kaupapa Māori providers engaged with clients were guided by tikanga Māori and te ao Māori concepts.

Our value sets, we are about manaaki whānau. Our tikanga guides us first. Building the trust and rapport is more important before even delivering the service. (MidCentral provider manager)

The whanaungatanga and every tanga you can think of. They were amazing. (MidCentral client 4)

They're my family, the kaitiaki. They help me stay motivated, each and every one of them, positive vibes. It's like a family. They come out and talk with us, make sure we are OK. (Northland client 3)

Since using this service, in comparison to others they were everything 'Whānau Ora', tika, pono, aroha, tūturu. (MidCentral client 4)

For Māori clients this created:

- **Manaakitanga:**

Making me feel comfortable, she made me feel like once everything had been sorted it was easy to walk in without feeling shamed. (Wellington Client 1)

- **Mana enhancement:**

[Provider] spiritually and professionally supported me. I'm so grateful to be with [my provider] because I felt safe, listened to and respected and uphold Māori mana, wahine Māori and that is really important for women to be able to feel whakamana rather than whakaiti. (MidCentral Client 1)

I'm owning my mana motuhake, my tino rangatiratanga. (MidCentral Client 3)

- **A space to practice kotahitanga (togetherness):**

[My provider] had karakia here for us to do so that we can feel as one group together, it's cool. (Wellington Client 2)

Understanding Pacific cultural values and practices within service providers created meaningful connections with Pacific clients including:

- **An inviting family environment:**

I'm happy because my [financial mentor] is Tongan, it's my people, it's like we're coming to see family. (Auckland Client 2)

- **An acknowledgement of cultural and religious practices:**

With fa'alavelave, we encourage clients to say to their families that you can't give financially but you can serve them... Even that whole shift in mindset. (Auckland financial mentor group)

I [met] with a Priest of a church because [our clients] were in trouble and they didn't want to give up the giving, so it needed to come from the [him]. (Auckland financial mentor group)

- **Shared understanding through translated resources and communication:**

The language is very important, when Samoan people come here, they speak to the Samoan [financial mentor]. All Tongan clients need translation – that's a specialist service. That's our point of difference with our service we have Samoan and Tongan speaking mentors (Auckland provider manager)

Considerations and recommendations

Understanding how to reach Māori and Pacific clients is a focus of BFC and learnings are provided through provider and client interviews. Evaluation of the kahukura service would inform ways to engage with Māori.

5. Factors affecting client engagement

5.1. The proportion of clients attending only one session has decreased

Building clients' financial capability depends on a longer engagement than one session. The first session may be used to address crisis situations and resolve immediate issues but more time is needed to develop client capability to improve financial management and avoid future crises.

It's very undervalued how much BFC services help people through their crises and how long it takes people to get out of a financial crisis, if it's a mortgagee sale or eviction, it takes hours and hours. Then after all of that we may be in a position where they can see that they can make ends meet - at that point can we only set goals up. (Auckland provider manager)

Analysis of Client Voices data highlighted the high proportion of clients who had a one-off or short-term engagement. However, in comparison to previous years, the proportion of clients with a one-off engagement is decreasing. From July 2018 to June 2019, of clients who attended at least one session with worklogs recorded, over half (56%) only attended one session, 22% attended two sessions and 24% attended more than two sessions. From July 2019 to December 2019, the percentage of clients who only attended one session reduced to around 43% with 23% of clients attending two sessions and 36% attending more than two sessions.

Providers shared insights into why engagement differed from person to person. The intensity of engagement depended on the individual and the crises at present. Providers tailored their engagement and number of sessions to address client needs. Dependent on the client, some required a 'one-off intensive' session and others longer.

You might find that an intensive one-off is actually just as good as having two or three half sessions, so what's the point in stringing it out if one client is going to be fully engaged for one session. (Canterbury provider manager)

Those that have come for one or two sessions have said all they wanted was this to achieve that goal. We helped them achieve that goal so why do they need us? (MidCentral provider manager)

Providers also discussed cognitive ability and the way clients interpreted and understood the material. Responsiveness to client needs meant completing sessions at a pace that was appropriate to the individual.

It really comes down to depending on client your dealing with, their cognitive or way they communicate governs how you're going to deliver it. You can have set modules, but depending on that person that one session might take two sessions to get through because they haven't got the cognitive capacity to understand it fully. (MidCentral provider manager)

5.2. Referral source

Looking across the calendar year, the proportion of clients who completed three or more sessions was highest for clients recorded as private referrals (34%), self-referred (29%) or CAB referrals (26%). The engagement rate was lower for clients referred by Work and Income (25%) or other government sources (16%).

Figure 9 shows the proportion of clients who go on to become engaged (attend 3+ sessions) by referral source for each quarter of the 2019 calendar year. Causes of fluctuations are unclear and could be seasonal. As more data are received, we may see a pattern to these changes.

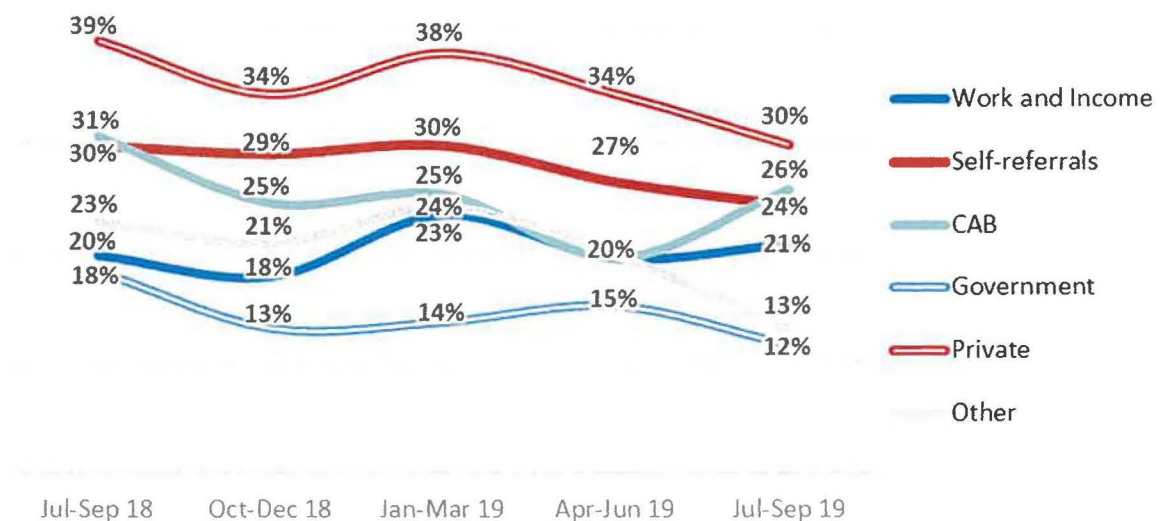


Figure 9. Clients' engagement by opening quarter and referral pathway as recorded in the Client Voices (2018 n = 8,947; 2019 n = 12,521).

5.3. Ethnicity

Comparison between the average number of sessions attended by clients in each ethnic group showed some differences. Pacific peoples were the most likely (29%) to be engaged (i.e. attend 3+ sessions), however the difference in engagement was relatively small compared to NZ European (26%), Māori (25%) and Asian (22%) clients (Figure 10).

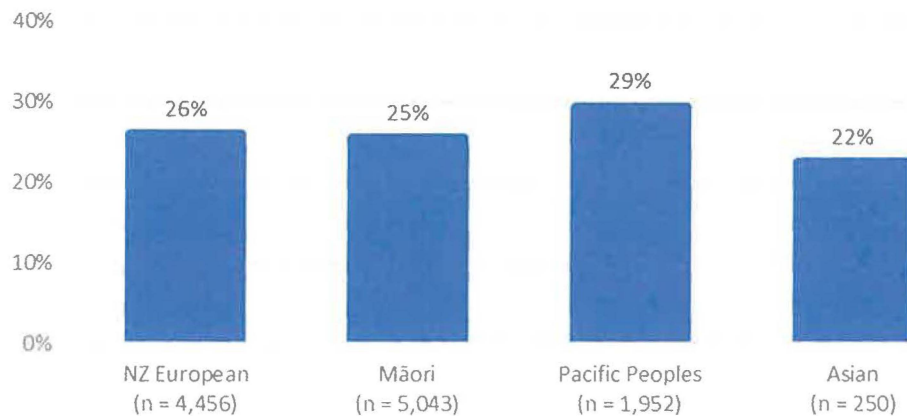


Figure 10. Proportion of closed clients in each ethnic group who attended 3+ sessions (excludes those with no recorded worklog sessions).

5.4. Age

Clients younger than 18 were the most likely group of clients to be engaged (40%). However, this difference may be due to the small number of young clients. Higher proportions of the older clients (46+) remained engaged for three or more sessions and on average attended more sessions (Figure 11). People aged 65 and over averaged 2.16 sessions, double the average of those aged 18-25 years (1.02 sessions).

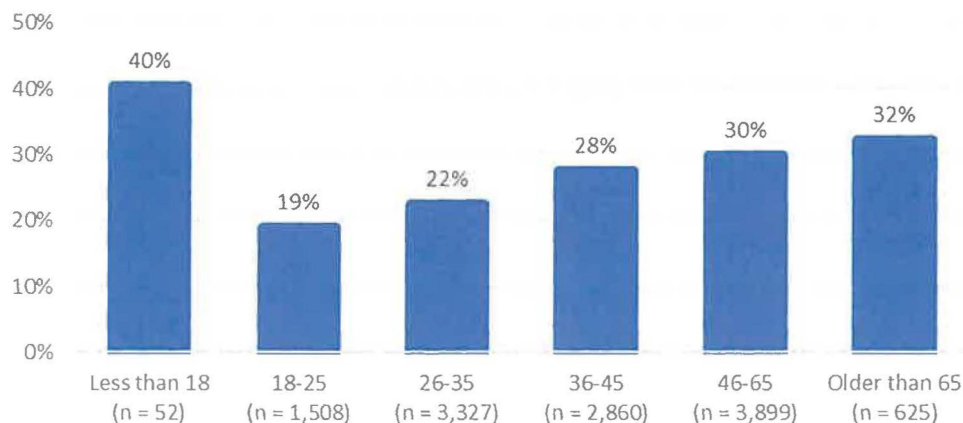


Figure 11. Proportion of closed clients in each age group who attended 3+ sessions (excludes those with no recorded worklog sessions).

The difference by age may arise from differences in how people of different ages prefer to engage with the services or in the services ability to work with different clients. For example, some or all BFC services may be best suited to older clients. The workforce survey showed many BFC services were delivered by older staff. The older workforce may be most effective in engaging clients of similar ages. On the other hand, differences may reflect differences in how people of different ages want to work with services. Younger clients may be less interested in a longer-term engagement.

5.5. Income

The Client Voices records did not show large differences in engagement between income groups apart from a higher proportion (35%) of clients engaging in 3+ sessions with an income of more than \$100,000 (Figure 12). However, this larger proportion may be a result of smaller sample of clients in that income group.

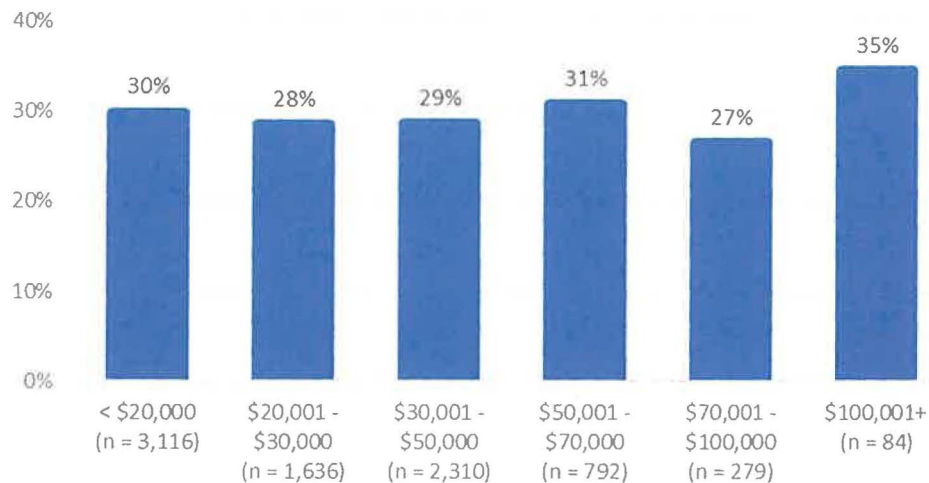


Figure 12. Proportion of closed clients in each income group who attended 3+ sessions (excludes those with no recorded worklog sessions).

Clients who were on a salary or a beneficiary were equally (27%) likely to be engaged (Figure 13). Clients that had an 'other' source of income (e.g. student or ACC) were the least likely (21%) to attend 3+ sessions. Beneficiaries were more likely to have zero sessions recorded compared to salary/wage earners (9% and 7% respectively).

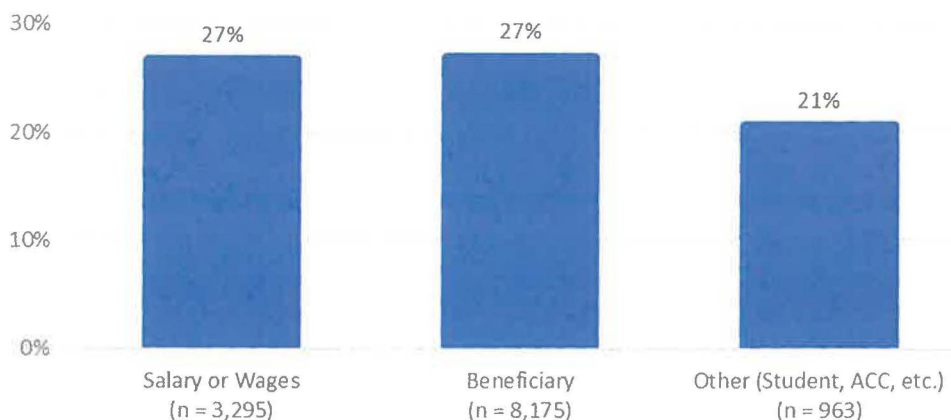


Figure 13. Proportion of closed clients with each income type who attended 3+ sessions (excludes those with no recorded worklog sessions).

5.6. Providers

The proportion of engaged clients was considered by provider based on the percentage of their closed clients who attended 3+ sessions⁹(Figure 14):

- On average clients of the top 25% of providers attended 4 sessions (M = 4.06). Just over half (54%) of clients on average were engaged when closed.
- Clients of the medium 50% (n = 54) of providers attended just under 2.5 sessions (M = 2.48). Around a third (29%) of the medium 50% of providers' clients were engaged when closed.
- Clients of the bottom 25% (n = 27) of providers attended just over 1 session (M = 1.39). Around one in ten (7%) clients were engaged when closed.

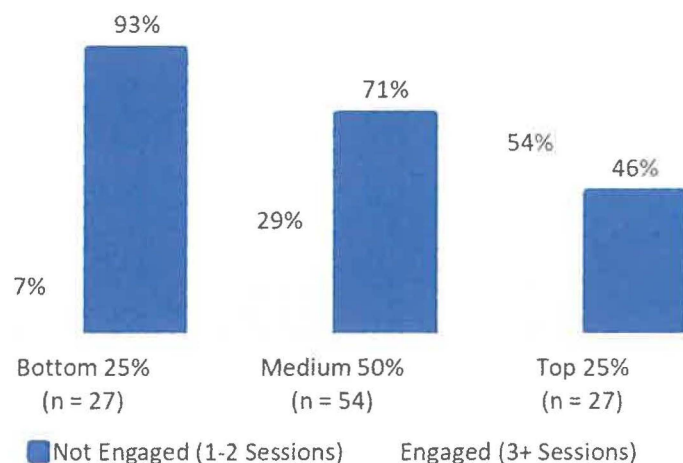


Figure 14. Providers ranked by proportion of engaged (3+ session) closed clients.

The number of clients and their referral source seems to also influence the proportion of engaged closed clients per provider. The top 25% of providers based on engagement on average had less clients (M = 81) than the both the medium 50% (M = 124) and bottom 25% of providers (M = 119). The top 25% of providers on average also had the lowest proportion of Work and Income referrals (16%) and the highest proportion of private referrals (18%). The bottom 25% of providers had the highest mean percentage of self-referrals (56%).

5.7. Modelling engagement

We modelled engagement using the factors described in this section and also included location (Table 5).

⁹ Of clients who attended at least one session and had worklogs recorded

Table 5. Estimated linear probability models for engagement controlling for the different characteristics recorded in Client Voices. Only closed clients with at least one worklog entry are included (2019 n = 5,903, 2017-19 n = 8,457)

Reference category	Category	2019 Coefficient (standard error)	2017-2019 Coefficient (standard error)
New Zealand European	Māori	-0.02 (0.01)	-0.03* (0.01)
	Pacific Peoples	0.00 (0.02)	-0.02 (0.02)
	Asian	-0.09* (0.04)	-0.06 (0.04)
	M/E/L/A	0.00 (0.05)	0.04 (0.04)
	Other European	0.03 (0.04)	0.05 (0.04)
	Other Ethnicity	0.02 (0.08)	0.09 (0.07)
Salary/wage earner	Beneficiary	0.02 (0.02)	0.02 (0.01)
	Other	-0.11*** (0.03)	-0.08*** (0.02)
Income <\$30k	\$30-50k	-0.01 (0.01)	-0.01 (0.01)
	\$50-\$70k	-0.00 (0.02)	-0.01 (0.02)
	\$70k+	-0.05 (0.03)	-0.03 (0.03)
Not in Auckland	In Auckland	0.16*** (0.02)	0.08*** (0.01)
	Two	0.01 (0.02)	-0.01 (0.02)
One dependent	Three	0.01 (0.03)	0.00 (0.02)
	Four or more	0.09*** (0.02)	0.06** (0.02)
	None	-0.01 (0.02)	-0.01 (0.01)
Work and Income referral	Self-referral	0.09*** (0.02)	0.08*** (0.01)
	CAB referral	0.10* (0.04)	0.11** (0.04)
	Government referral	0.05 (0.03)	0.04 (0.02)
	Private referral	0.10*** (0.02)	0.10*** (0.02)
	Other referral	0.03 (0.02)	0.03 (0.02)
Constant		0.23*** (0.03)	0.22*** (0.02)
Adjusted r²		0.04	0.02
N		5,903	8,457

*p < 0.05, **p<0.01, ***p<0.001

The model highlighted ethnicity, income source, number of dependents, referral source, and location (Auckland compared to the rest of the country) as significantly influencing the likelihood of engagement (i.e. attending 3+ sessions).

The referral source, specifically self-referred clients, those referred from CAB and private referrals, had a statistically significant impact on the probability of engagement. Clients referred from these sources compared to Work and Income referrals were more likely to be engaged.

Clients with four dependents compared to those with one dependent and clients in Auckland compared to those in the rest of the country were significantly more likely to be engaged. In addition, clients with an 'other' income source were significantly less likely than those on a salary/wage earner to be engaged and Asian clients were significantly less likely to be engaged than New Zealand European clients.

Considerations and recommendations

The underlying reasons for differences in engagement between clients from different groups are unclear and require further exploration. They could be connected to differences in location, socio-economic status, effectiveness of providers in general or in providing culturally appropriate services.

6. Feedback informed support - the COMT

The COMT was created by the Ministry of Social Development in conjunction with the BFC services prior to the evaluation. The purpose of the COMT is to provide clients with the opportunity to complete a questionnaire after each appointment and track their responses and overall results (equating to the amount of sessions they attend).

The COMT is intended to be completed each time a client meets with their financial mentor. Over a period, financial mentors will have a collection of responses enabling clients to see the progress they have made. In times of financial hardship and stress, having a tangible item to celebrate is important.

However, the COMT is not consistently used by providers or not consistently recorded in Client Voices (Figure 15). Of closed clients only a quarter (25%) completed the COMT at both baseline and final with a third (34%) of clients did not complete the COMT at all. Almost a third (31%) of clients who completed both baseline and final COMT attended three or more sessions compared to clients who only completed baseline (14%) or no COMT (12%).