

# Commonwealth Financial Counselling and Financial Capability

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The following questions and answers are specific to this funding round. Please also refer to the [Frequently Asked Questions](#) page for general questions about applying for DSS grants.

New questions are added to the end of this document.

## **1. Where are Money Management services under the new Financial Wellbeing and Capability activity? Where is the Household Organisation Management Expenses (HOME) Advice Program under the new Activity? Have these service offers changed?**

Money Management and HOME Advice are now called Financial Capability. Financial Capability forms part of the Financial Counselling, Capability and Resilience Sub-Activity.

Financial Capability workers will still help people to build longer-term capability to budget and manage their money better and make informed choices. It differs from Financial Counselling in that it focuses more on education, direct case work and advocacy and less on resolving specific financial issues. Financial Capability workers deliver financial literacy education, information and coaching and maintain a strong focus on supporting consumers to change their behaviour and 'learn by doing'. The new structure encourages integration of services with a strong focus on early intervention and prevention and streamlines workforce development opportunities across the Sub-Activity.

Please refer to the Families and Communities, Financial Wellbeing and Capability Guidelines Overview and the [DSS website](#), for more information.

## **2. Is the Government reducing the number of Commonwealth Financial Counselling positions?**

The Government funds an agreed level of service (not individual positions) based on the annual allocation of funding provided through the Federal Budget.

General Financial Wellbeing and Capability Q&As

## **3. What are the expectations around providing priority access to people on income management for service delivery under the new Financial Wellbeing and Capability Activity – is this still a priority?**

Yes. In general terms people participating in Income Management are identified for service priority under the primary target group for the Financial Wellbeing and Capability Activity.

Please refer to the Families and Communities, Financial Wellbeing and Capability Guidelines Overview and fact sheet for more information via the [DSS website](#).

## **4. Under the new DSS Programme structure does the Department still value small service providers?**

Each DSS Programme and the Activities underneath will have different requirements in terms of preferred service delivery models. Overall the Department values the diversity of having a mix of small and large organisations and acknowledges the different kinds of community connections and contributions both kinds of providers can offer ranging from tailored services for specific client or community groups through to economies of scale.

The Government is also keen to ensure more efficient and effective ways for delivering grants, reducing red tape and increasing flexibility for service providers.

## **5. How can I find out what the new Financial Wellbeing and Capability Activity will look like and how it will work in my state or region?**

For more information please refer to the Families and Communities, Financial Wellbeing and Capability Guidelines Overview on the [DSS website](#).

## **6. Why are partnerships, linkages and collaboration with other agencies and organisations a key part of the new Activity?**

The Department has always encouraged collaboration and partnerships as a key component of effective service delivery models. There is now strong support across Government that in delivering services, organisations must develop and maintain links with other relevant organisations. This will assist in making appropriate referrals and co-ordinating services to improve consumer outcomes and ensure consumers receive services tailored to their needs to better prevent issues from escalating or recurring. The goal is to encourage organisations delivering FWC services to develop a strong referral pathway across the suite of FWC services and other programmes for the target group as appropriate. Collaboration and inter-agency networking is an integral part of delivering an integrated, consumer centred service offer and should be built into the service delivery model as part of an organisation's day to day operations.

The Department recognises that most DSS funded organisations already have these structures and processes in place and strongly recommends that partnerships, linkages and collaboration to support a consumer centred service offer across the Financial Wellbeing and Capability Activity are developed and/or maintained.

## **7. Where can I get additional information on service coverage areas and funding methodology?**

Detailed information is available on the [DSS website](#).

## **8. My organisation would like to apply for Commonwealth Financial Counselling, Financial Capability and Emergency Relief. Is this one selection process or will we need to apply for two separate selection processes?**

There is one selection process for Commonwealth Financial Counselling and Financial Capability and one selection process for Emergency Relief and you will need to apply for each process separately. Detailed information on all selection processes is available on the [DSS website](#).

## **9. Will the Department provide additional time for organisations to develop a consortium and provide the relevant documentation as part of this selection process?**

No - the Department has specified timeframes for all selection processes on the [DSS website](#)

## **10. What do you mean when you refer to 'Activity' in the selection criteria?**

Generally, in the case of the selection criteria (and only in this context) the term 'Activity' relates to the service you are applying for funding to deliver – for example Emergency Relief or Commonwealth Financial Counselling. In answering the criteria you should first consider the service offer and outcomes that relate to the service you are applying for (as detailed in the Programme Guidelines Overview) and then you may like to consider if any of the descriptions and outcomes of the FWC Activity in general would also need to be covered in your response to the selection criteria.

## **11. What do you mean when you refer to 'chosen communities' in the selection criteria?**

We are referring to the service coverage area in which you are applying for funding to deliver services. This may be at the SA4 or SA2 level or may cover a collection of SA4s or SA2s. More information on service coverage areas is available on the [DSS website](#).

## **12. What do you mean when you refer to ‘Target Group’ in the selection criteria?**

Generally ‘target group’ refers to the people (or in the case of sector support, the organisations) you are assisting. For example Emergency Relief, Commonwealth Financial Counselling and Financial Capability deliver services to people in the ‘primary target groups’ assisted across the FWC Activity. For Financial Crisis and Material Aid Sector Support the target group assisted is Emergency Relief workers. Please see Section 2.4 of the Financial Wellbeing and Capability Guidelines Overview for more information.

## **13. There are a lot of references to delivering an integrated service offer. What does this mean?**

The goal is to ensure consumers receive a wrap-around, integrated, consumer centred service offer. Organisations intending to apply to deliver Activity services should consider the following integrated service delivery models and activities when designing their service delivery model:

one organisation delivering a number, or suite, of Sub-Activities

co-locating a group of organisations, or providing outreach, to enable the delivery of a number, or full suite, of Sub-Activities from one location and/or

organisations delivering strong referral pathways across the suite of Sub-Activities (and other relevant Programmes for the target group as appropriate), networking effectively within other Sub-Activities and with providers of other relevant services for their customer group). Collaboration and inter-agency networking is an integral part of day-to-day operations.

## **14. Why have the Financial Management Program (FMP) and Household Organisational Management Expenses (HOME) Advice Programs changed?**

The FMP and HOME Advice are now part of the Financial Wellbeing and Capability (FWC) Activity under the larger Families and Communities Programme. This change is part of the Australian Government’s new way of working with civil society organisations which seeks to provide organisations with greater flexibility to address service needs of individuals, families and communities.

The FMP and its various services (for example Emergency Relief or Commonwealth Financial Counselling), have largely evolved and operated separately. Many service providers report the complexity of needs experienced by consumers has increased markedly, and research indicates that the more wrap-around support consumers can be offered, the better their outcomes.

The intention of changes are to deliver a more outcome based Activity offering more integrated support and better wrap-around services for consumers. Early intervention and prevention approaches will also be a focus of this Activity.

In addition, the HOME Advice service offer had a number of common elements with Money Management and joining these like services into the one Activity (and under one service offer called Financial Capability) aims to improve integration and strengthen support for vulnerable people before they are in crisis. People at risk of homelessness are a key priority target group for this Activity.

Along with an improved service offer for consumers, these changes will ensure more efficient and effective ways of delivering grants, reducing red tape and increasing flexibility for service providers.

## **15. What are the benefits of the new Activity/Sub-Activity for service providers, clients, communities?**

The intention of changes are to deliver the FWC Activity as a more integrated and coordinated service which promotes financial capability by helping people avoid or resolve financial difficulties and achieve self-reliance. The Activity will also become more outcomes focused which will provide benefits for both consumers and service providers.

Through this activity, the Australian Government, in partnership with civil society, will provide support to vulnerable individuals, families and communities to improve their financial capability, resilience and lifetime wellbeing.

Please read the 'Aims and Objectives' section of the FWC Guidelines Overview and Appendix A to learn more about the Activity's intended objectives and outcomes.

## **16. Have the actual service offers of the FMP changed under the new Financial Wellbeing and Capability Activity?**

A number of enhancements have been made to the Financial Wellbeing and Capability Activity. There are a number of drivers for these changes including:  
Many service providers report the complexity of needs experienced by consumers has increased markedly, and that demand for assistance is high.  
Identifying that the various services the FMP and HOME Advice offered have largely evolved and operated separately and benefits can be gained from a more joined-up approach.  
The need to ensure more efficient and effective ways of delivering grants, including reducing red tape and increasing flexibility for service providers.

Enhancements, and the creation of the FWC Activity have been made to:  
Deliver a more integrated and coordinated service which promotes financial capability by helping people avoid or resolve financial difficulties and achieve self-reliance.  
Increase service integration, ensure better-wrap around services and shift to a more outcome based approach to ensure better outcomes for individuals, families and communities.  
Focus on supporting the sector to ensure the continued delivery of quality services by making the grant system more streamlined to ease administrative burden on service providers and improve their flexibility.

## **17. Where are the Community Development Financial Institutions (CDFI), No Interest Loans Scheme (NILS), Step Up or Saver Plus service offers under the new Financial Wellbeing and Capability Activity?**

These microfinance initiatives form part of the Financial Resilience Sub-Activity. Please refer to the Families and Communities, Financial Wellbeing and Capability Guidelines Overview for more information.

## **18. Is the target group for the new Financial Wellbeing and Capability Activity the same as the target group under the old Financial Management Program?**

The target group is largely the same. The Financial Wellbeing and Capability Activity will provide support to disadvantaged individuals, families and communities to improve their financial capability, resilience and lifetime wellbeing. Please see the relevant section in the Families and Communities, Financial Wellbeing and Capability Guidelines Overview for more information on the [DSS website](#).

## **19. New Service Area - Financial Wellbeing and Capability Information**

The Department is keen to ensure that funding is directed towards areas of disadvantage. The Department has chosen to use the Australian Statistical Geography Standard (ASGS) framework used by the Australian Bureau of Statistics (ABS) since July 2011. It is a nationally consistent, accessible and workable structure that can be used to identify smaller areas for more detailed targeting of services if required.

Although funding is attributed at a specific level e.g. Statistical Area 4 (SA4), there may be times when providers deliver services in only part of an SA4, for example in two SA2 locations within an SA4. See below for more information about ASGS.

## **20. Identifying Disadvantage**

A priority of the Government is to ensure services are directed to the most vulnerable and disadvantaged people and families across the country. DSS has taken steps to assess the level of relative disadvantage between and within SA4s, in order to focus efforts on the most disadvantaged areas.

The level of disadvantage attributed to SA4s by the ABS has been determined through the use of the Socio Economic Indexes For Areas (SEIFA) data derived from the 2011 Census of Population and Housing. The ABS ranks all areas in Australia according to relative socio-economic advantage and disadvantage. SEIFA was chosen as a consistent and accurate measure of disadvantage that could be used nationwide, across different types of services, and over time.

It is also possible to determine SEIFA data for SA2 level locations if this is required. This has been used to inform funding allocations of some FWC sub-Activities.

More information about SEIFA is available on the [SEIFA website](#).

## **21. New Service Areas**

Historically, the various services funded under the Financial Management Program (FMP) have been based on a range of different service coverage areas such as Local Government Areas (LGAs), Statistical Local Areas (SLAs), and designated communities based on Centrelink data. In order to streamline decisions on service coverage areas, improve consistency, make arrangements more straightforward for providers delivering multiple services, and ensure services are directed towards the most vulnerable and disadvantaged Australians, the new Financial Wellbeing and Capability (FWC) Activity is now based on Statistical Area 4s (SA4s).

SA4s are part of the ASGS which is a structure that is stable, is consistent in population size, has geographic detail and reflects settlement patterns and socio-economic relationships.

The ASGS brings all the regions used by the ABS, to report on data, under the one umbrella.

The Main Structure of the ASGS is based on the functional area of major cities and towns and gazetted suburbs and localities. The Main Structure consists of:  
Mesh Blocks (30-60 households) of which there are about 350,000;  
Statistical Areas Level 1 (SA1s) with an average population of 400 people, of which there are about 55,000;  
SA2s which are built from whole SA1s. They have an average population of about 10,000, and there are about 2,200 of them. They represent a community that interacts together;  
SA3s are built from whole SA2s. They have an average population of about 30,000-130,000, and there are about 351 of them. They represent functional areas of regional towns and cities, or clusters of related suburbs; and  
SA4s are built from whole SA3s. They have a minimum population of about 100,000 and are the largest sub-state region. There are 88 SA4s across Australia.<sup>1</sup>

## **22. Accessing maps of new service areas**

To assist service providers understand the new service areas, the Department has developed service area maps which can be viewed as part of the Application Pack.

Tables of SA4s across the country and their corresponding SA2s can be viewed as part of the Application Pack. These tables can be used by service providers wanting to apply for funding for a total or partial SA4.

## **23. Will the FWC service delivery footprint change?**

As a result of feedback from stakeholders and the priorities of the Government, the FWC Activity will continue to target areas of highest disadvantage. This may result in some changes to the overall footprint of the FWC.

## **24. Do I have to service a whole SA4 if I apply for funding under the selection process?**

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<sup>1</sup> The information about the ASGS, above, was sourced from '[Video transcript – understanding ABS Statistical Geography](#)'

You may apply to service a whole SA4 or apply to service an SA2 within an SA4 or a collection of SA2s within an SA4.

## **New Q&A – Added 7 July 2014**

### **25. What methodology has the Department used to determine the funding for the Financial Wellbeing and Capability Activity and in particular Emergency Relief, Commonwealth Financial Counselling and Financial Capability services? (Added 7 July 2014)**

Historically, the funding methodology for the various services funded under what was the Financial Management Program (FMP) was based on a range of different service coverage areas such as Local Government Areas (LGAs), Statistical Local Areas (SLAs), and identified communities based on Centrelink data.

The Department is keen to ensure that funding is directed towards areas of disadvantage. The Socio-Economic Indexes for Areas (SEIFA) has been selected as a measure of disadvantage. More information is available through this link: [SEIFA information](#).

The Department has chosen to use the Australian Statistical Geography Standard (ASGS) framework used by the Australian Bureau of Statistics (ABS) since July 2011 to define service coverage areas. The ASGS framework divides Australia into a range of statistical areas (Statistical Areas 1 through to 4). This ASGS framework is stable, is consistent in population size, has geographic detail and reflects settlement patterns and socio-economic relationships. More information is available through this link: [ASGS information](#).

In order to streamline decisions on service coverage areas, improve consistency, make arrangements more straightforward for providers delivering multiple services, and ensure services are directed towards the most vulnerable and disadvantaged Australians, service coverage areas under the new Financial Wellbeing and Capability (FWC) Activity are based on Statistical Area 4s (SA4s).

To apportion funding across the Financial Wellbeing and Capability Activity, each jurisdiction has been divided into service coverage areas based on SA4 boundaries (determined by the Australian Bureau of Statistics). An amount for each service has been attributed to each SA4 and applicants asked to apply for funding for service coverage areas defined at the SA4 level. As part of this selection process applicants may apply to deliver services in an SA4, collection of SA4s or subsets of an SA4 which are Statistical Area 2s (SA2s).

For Emergency Relief services, within the Financial Crisis and Material Aid Sub-Activity, the funding amount for each SA4 is determined by levels of need and disadvantage. This has been worked out using cumulative scores of SEIFA disadvantage and populations at the SA2 level, and then aggregated up to the SA4 level.

For Commonwealth Financial Counselling and Financial Capability, within the Financial Counselling, Capability and Resilience Sub-Activity, funding has been apportioned across SA4s based on a similar service footprint to previously funded activities, subject to available future funding.

## **New Q&A – Added 14 July 2014**

### **26. Attachment A for the Financial Counselling and Financial Capability funding round does not specify any amounts of money at all in a number of SA4 areas of Sydney that currently receive funding. Is it accurate to say that there is no funding available in those areas?**

Applicants may apply for funding up to the amount available for each specified service coverage area (SA4), as detailed in Attachment A for this [selection process](#). The North Sydney and Hornsby SA4 is not included in the Funding Allocation for this funding round. This is due to an administrative error.

The Department will be conducting a separate selection process to cover this SA4 area in the near future. Information on this selection process will be made available on the [website](#) shortly.

**27. There is no funding listed for SA4 Mornington Peninsula in the document containing funding allocations for this program by locations. Could you please advise if there is additional funding for this SA4?**

Applicants may apply for funding up to the amount available for each specified service coverage area (SA4), as detailed in Attachment A for this [selection process](#). The Mornington Peninsula is not included in the Funding Allocation for this funding round. This is due to an administrative error. The Department will be conducting a separate selection process to cover this SA4 area in the near future. Information on this selection process will be made available on the [website](#) shortly.