



26 July 2024

Tēnā koe

Official Information Act request

Thank you for your email of 27 June 2024, requesting a breakdown of every Auckland-based budgeting service that will have reduced or cut funding from 1 July 2024. I have considered your request under the Official Information Act 1982 (the Act). Please find my decision set out below.

Ministry funding for Building Financial Capability (BFC) core services (financial mentoring and MoneyMates groups services) has reduced by 12.5% for the FY2025 onwards due to the expiry of time limited Covid-19 funding.

We ran a procurement process to refresh the network of Ministry funded BFC core providers from 1 July 2024. This is the first time the Ministry has procured this service since 2016.

Alongside this reduction in funding for BFC core services, the Ministry also changed the funding model for these services. They will now be funded by Full Time Equivalent (FTE) rather a specified number of sessions. This change was communicated with the sector, with 70% of providers surveyed supporting the change in funding model.

Through this change in funding model the Ministry lifted the minimum we pay on every contract. From 1 July, every provider we contract with will be funded for at least 0.5 Full Time Equivalent (FTE), or \$54,000 per provider. This, together with the drop in funding, meant that fewer providers could be offered contracts.

Funding has been allocated through this procurement process to regions and communities with the highest need based on a range of factors which include population, income and hardship data.

Under this new funding model, funding for core BFC services in the Auckland region has increased from approximately \$0.8 million per year to \$6.534 million per year for FY2025 and outyears. This will fund 60.5 FTE positions across 20 providers.

Please refer to Table One in the **Appendix** below for an overview of the changes to the Ministry funded provider network in the Auckland region¹ following the recent procurement process.

Please note that some funding information is withheld under section 9(2)(ba)(ii) of the Act to protect information which is subject to an obligation of confidence where the making available of the information would be likely otherwise to damage the public interest. Where information is withheld, the Ministry is still undergoing contract negotiations with those providers and the funding information has not yet been confirmed.

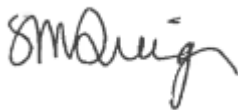
You are welcome to make a follow up request for this information once these contract negotiations are concluded.

I will be publishing this decision letter, with your personal details deleted, on the Ministry's website in due course.

If you wish to discuss this response with us, please feel free to contact OIA_Requests@msd.govt.nz.

If you are not satisfied with my decision on your request, you have the right to seek an investigation and review by the Ombudsman. Information about how to make a complaint is available at www.ombudsman.parliament.nz or 0800 802 602.

Ngā mihi nui

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Magnus O'Neill
General Manager
Ministerial and Executive Services

¹ We have taken "Auckland-based budgeting service" to mean Building Financial Capability core with contracts in MSD's Auckland region in F2024 and F2025. We have included services with funding increases and new contracts in the information provided.

Appendix:

Table One: Auckland region BFC provider table broken down by name, status and funding change.

There are some specific changes to note:

- Of the 20 providers offered contracts, 17 are incumbent (continuing) and 3 are new providers.
- 12 former BFC core providers are now non-current as their contracts expired on 30 June 2024.

Provider name	Provider status	Funding change
Anglican Trust for Women and Children	Continuing	New contract, not comparable (Note 1)
Auckland Central Budgeting Consultants Incorporated	Non-current	Contract expired 30 June 2024
CARE Waitakere Trust	Continuing	s9(2)(ba)(ii)
Fonua Ola Network	Continuing	Re-contracted with funding increase
Franklin Family Support Trust	Continuing	s9(2)(ba)(ii)
Henderson Budget Service Incorporated	Continuing	s9(2)(ba)(ii)
Māngere Budgeting Services Trust	Continuing	Re-contracted with funding increase
Manukau Urban Māori Authority (MUMA Whānau Services)	Non-current	Contract expired 30 June 2024
North Harbour Budget Services	Non-current	Contract expired 30 June 2024
North Shore Budget Service	Continuing	Re-contracted with funding increase
Pakuranga and Howick Budgeting Service Inc	Continuing	Re-contracted with funding increase
Papakura Budgeting Service	Non-current	Contract expired 30 June 2024
s9(2)(ba)(ii)	s9(2)(ba)	s9(2)(ba)(ii)
Papatoetoe Community Budgeting Service	Non-current	Contract expired 30 June 2024
s9(2)(ba)(ii)	s9(2)(ba)(ii)	s9(2)(ba)(ii)
s9(2)(ba)(ii)	s9(2)(ba)(ii)	s9(2)(ba)(ii)

Provider name	Provider status	Funding change
Society of St Vincent de Paul in New Zealand	Continuing	Re-contracted with funding increase
StepsForward Trust NZ	New	New contract
STRIVE Community Trust	Non-current	Contract expired 30 June 2024
Tāmaki Budgeting (East Auckland Home & Budget Svc)	Continuing	Re-contracted with funding decrease
Te Puna Hauora o te Raki Paewhenua	Continuing	Re-contracted with funding decrease
Te Whānau o Waipareira Trust	Non-current	Contract expired 30 June 2024
s9(2)(ba)(ii)	s9(2)(ba)	s9(2)(ba)(ii)
The Fono (West Fono Health Trust)	Continuing	Re-contracted with funding decrease
The Salvation Army Auckland	Non-current	Contract expired 30 June 2024
The Umma Trust	Non-current	Contract expired 30 June 2024
Training and Budgeting Services Inc	Non-current	Contract expired 30 June 2024
Vaiola PI Budgeting Service Trust	Non-current	Contract expired 30 June 2024
s9(2)(ba)(ii)	s9(2)(ba)(ii)	s9(2)(ba)(ii)
Waiheke Budgeting Services Trust	Continuing	Re-contracted with funding increase
Warkworth/Wellsford Budget Service	Continuing	Re-contracted with funding increase
West Auckland Budgeting Service	Non-current	Contract expired 30 June 2024
<p>Note 1: New collective contract for F2025, so funding is not comparable with previous funding arrangements.</p> <p>Note 2: Provider was previously part of a collective contract. New contract is not directly comparable.</p>		