



Submission to the Review of Financial Wellbeing and Capability programs - Consultation Paper

Introduction

For 30 years, the Centre for Community Child Health ([CCCH](#)) has worked collaboratively with families, communities, practitioners, organisations and decision makers for sustainable and equitable improvements in children's health, development and wellbeing. Our purpose is to see every child thrive and our mission is to achieve real-life improvements in children's health, development and wellbeing within a generation. CCCH is part of the world-class Melbourne Children's Campus that unites clinical care, research and education. We are a research group of the Murdoch Children's Research Institute (MCRI), a clinical department of The Royal Children's Hospital, and an affiliate of the University of Melbourne's Department of Paediatrics.

At CCCH we have dedicated research programs focusing on:

- Reducing child inequities by trialling solutions to combat child poverty, adversity and household financial stress in Australia.
- Building capacity and capability of the Australian early years sector to use data to ensure children and families can and do access high-quality, evidence-informed services where and when they need them.

We draw on the experience of these two areas of research to inform our response and thank the Department for the opportunity to provide a response to the Review of Financial Wellbeing and Capability Programs.



Table 1: Summary of Recommendations

Focus Area	Recommendations
<p>Focus Area 2 – Changing client needs</p> <p>Q4. What do you consider is an effective FWC early intervention approach for a person at risk of financial stress and hardship?</p>	<p>The Department of Social Services invests in extending the benefits of Healthier Wealthier Families to more families, who are experiencing financial stress.</p>
<p>Focus Area 3 – Best practice service delivery</p> <p>Q7. Has your organisation introduced a service improvement or innovation that is making an impact in improving client outcomes?</p>	<p>Scaling HWF has the support of peak financial counselling bodies, CFH Services across many jurisdictions. This includes UnitingCare Australia, which also recommends the scaling of Healthier Wealthier Families in their submission to Financial Wellbeing and Capability Programs consultation paper.</p>
<p>Focus Area 5 – Place-based approaches</p> <p>Q12. Do you have experience in working in place-based or shared decision-making models of service delivery? What are your reflections? Please provide examples.</p>	<p>The Department of Social Services:</p> <ul style="list-style-type: none"> • fund the further trialling of integrated service level models for financial counselling and legal support as part of the Department’s next FWC grants program, within Child and Family Hubs. Impacts on child and family outcomes to be evaluated. • supports the successful FWC services to recruit and retain financial wellbeing counsellors that reflect community need. • actively support people from diverse backgrounds to pursue a career in financial counselling. • enables financial counsellors to be skilled in trauma-informed and family-partnership models of practice. • supports funded FWC services to offer flexible service offerings such as telephone-based counselling. • improve public education activities of the National Debt Helpline (NDH) to ensure more people are aware of and can access the full scope of NDH offerings.
<p>Focus Area 7 – Improved outcomes and data</p> <p>Q16. What are your views on the proposed draft FWC Activity Program Logic?</p> <p>Q17. Does your organisation capture data on unmet client demand?</p>	<p>DSS develop a set of lead indicators to ensure services have the data to know whether they are contributing to client and service outcomes.</p> <p>We present information on Restacking the Odds (RSTO) – an initiative that has established lead indicators for the early years service system. We welcome the opportunity to discuss our program with the DSS.</p> <p>The draft Program Logic includes financial wellbeing indicators of the Australian Government’s Measuring What Matters Framework.</p>



Why we focus on improving financial wellbeing for improving children's outcomes

The first 1,000 days of life (conception to 2 years) represent a critical developmental period when the brain develops more rapidly than at any other time (Moore et al. 2017; The Lancet 2016). During this period, household income is a protective factor that contributes to children's optimal health and development (Cooper and Stewart 2020). In contrast, low household income and poverty can compromise brain growth (Hanson et al. 2016), and increase the risk of poorer socioemotional functioning, school failure, chronic disease, mental illness, reduced economic opportunity, and intergenerational adversity (Brinkman et al. 2013; Moore et al. 2017). A paradox of the first 1,000 days is that, during this period, when money arguably matters most, becoming a parent is associated with substantial drops in household income (Gamarra & Price, 2023).

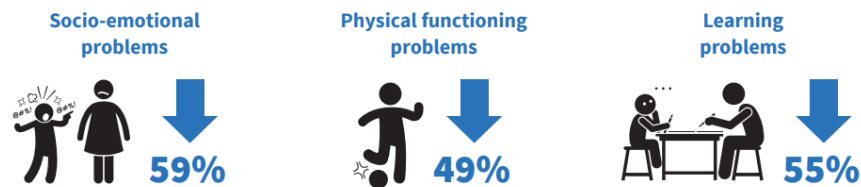
The evidence is clear that children who grow up in poverty or in households that experience financial stress, are more likely to experience poorer health and developmental outcomes.

Child poverty in Australia

Australia is a high-income country with universal health, education, and social services. Despite this, at least one in three families with children experience material deprivation, missing out on essential items such as food, stable housing and healthcare due to cost (Goodhue et al. 2021; Price et al. 2022). Emerging but unpublished data for 2022-23 indicates that this is steadily increasing. This experience appears particularly pronounced for families with children under five years of age (Gamarra et al. 2021). While children in one-parent families are three times more likely to live in poverty than two-parent households (39% versus 13%) (Poverty in Australia 2022), in absolute terms the majority of children living in poverty (82%) live with two parents. Even by the time Australian children start school, developmental inequities due to adverse social conditions such as poverty are evident. Children living in the least advantaged suburbs have three times the developmental vulnerability of the most (19% versus 7%) (AEDC 2021).

Solutions to reduce the impact of poverty and enhance children's outcomes

Our research has shown that, if early disadvantage including poverty is redressed, half of child health and developmental problems in middle childhood can be reduced (Goldfeld et al., 2018). This includes:



Increasing household income is one important factor that has been shown to improve children's health and development, such as increasing infant brain activity (Baby's First Years, 2022). While the mechanisms are complex, increased household income benefits children directly through better food, stable housing, and healthcare (the 'investment' model), and indirectly through improved parent mental health and capacity (the 'family stress' model) (Cooper & Stewart, 2020).

Research also shows that money invested in the early years offers the best economic and social return for individuals, governments and societies (Heckman & Mosso, 2014; Moore et al., 2022). Furthermore, efforts that prioritise families experiencing social adversity (i.e. poverty and financial household stress) achieve the greatest impact and cost-benefit (Heckman & Mosso, 2014).

With this evidence in mind, we have developed a research agenda that seeks to understand and test the impact of increasing household income, as an investment approach, to improving children's outcomes for Australian children and families experiencing poverty and financial hardship. It is intended that this evidence is informed by and seeks to enhance the Australian service context that families interact with. We draw on the evidence and our research to inform our responses to the consultation questions:



Response to Consultation Questions

Focus Area 2 – Changing client needs

Question 4: What do you consider is an effective FWC early intervention approach for a person at risk of financial stress and hardship?

Our response below is also relevant to Question 7 – has your organisation introduced a service improvement or innovation that is making an impact in improving client outcomes?

Healthier Wealthier Families (HWF) – a prevention approach to connecting families to financial wellbeing services.

The importance of family financial wellbeing and the early years

During the first 1000 days of life (conception to 2 years), the human brain develops more rapidly than at any other time, laying the foundation for ongoing health and development. Financial hardship can disrupt this foundational period and undermine the health and wellbeing of children and families.

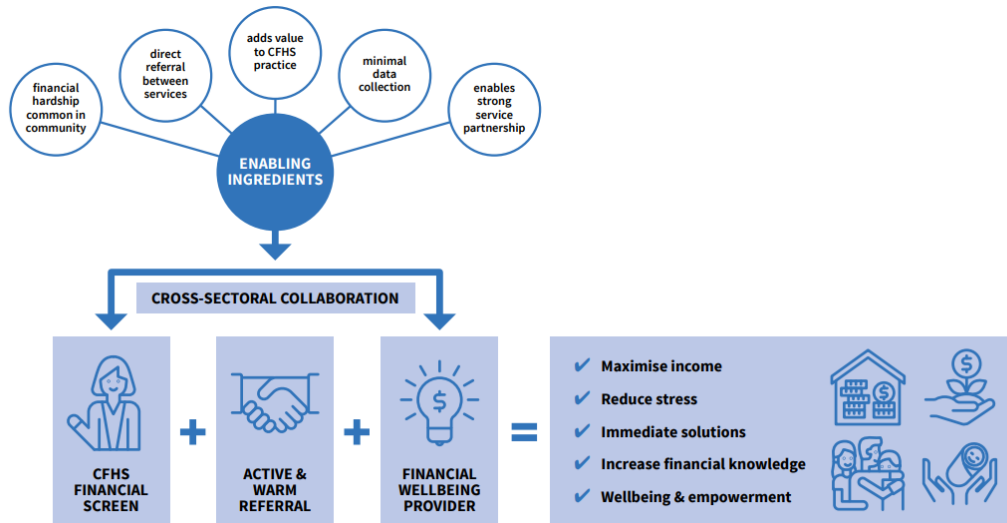
In Australia, one in three families with young children cannot afford essentials such as food, housing or healthcare. Our work shows that parents who experience financial hardship report triple the levels of poor mental health (36% vs 11%). This can affect parenting, the child-parent relationship, and the home learning environment. Strengthening the financial security of families can enhance the environments that help children to thrive.

The solution: “Healthier Wealthier Families”: prevention through primary health and social care

Australia’s child and family health (CFH) nursing services are the only primary healthcare service specifically designed for the first 2000 days. Healthier Wealthier Families (HWF) addresses financial hardship during this critical developmental period by embedding a referral pathway from CFH services to financial wellbeing services. CCCH led the HWF pilot in 2019-22, which tested the feasibility and short-term benefits of HWF, adapted from a successful [Scottish program](#) that has been running since 2010. By identifying financial challenges early, HWF works to improve economic and wellbeing outcomes for families, and enhance parenting, child-parent relationships and the home environment.



Boosting financial wellbeing for more families (Figure 1)



Key elements of Healthier Wealthier Families (CFHS: Child and Family Health Service)

In our successful pilot program:

- 2/3 of families identified as experiencing financial hardship engaged with the financial counsellor.
- Of those who engaged with the service, 75% were born overseas and just over half spoke languages other than English at home. The program captured culturally diverse families that are often difficult to engage.
- The most common challenges experiencing by families were utility debts, obtaining government entitlements and material aid or emergency relief.
- HWF generated an average of \$6504 per family in annual benefits (\$125 per week) and \$784 in extra concessions, grants, brokerage and waivers.
- For every \$1 invested in the financial counselling service, \$7.1 was gained for families.
- Families described benefits including reduced stress, practical help, increased financial knowledge and empowerment.
- Additional flow on benefits that are likely to benefit government and industry expenditure include:
 - avoided loss of utilities (52% of clients)
 - avoided legal action (11%)
 - stabilised housing (14%)
 - organised external referrals (41%)
 - conducted financial literacy activities (66%)
- As an early intervention model, HWF has the potential to lower:



- the acuteness of crisis which means less financial counsellor time should be needed with each client, and
- the burden/burn out for financial wellbeing practitioners

More information on HWF and to explore clients stories please visit [Reducing money worries to improve caregiving, and health and wellbeing \(rch.org.au\)](https://www.rch.org.au/research/healthier-wealthier-families)

Recommendation

To extend the benefits of HWF to more families, we recommend the Department of Social Services invests in further implementation and evaluation of HWF with more families who are experiencing financial stress, including families living in socially disadvantaged areas and regional/rural communities.

Evaluation of this next phase of scaling would include analysis of the benefits, costs and contribute to building an understanding of scaling and adaptation for other services. HWF could also form part of a place-based response to financial wellbeing given the localised delivery approaches of both CFH services and financial wellbeing services (as acknowledged in the consultation paper).

Scaling of HWF has the support of peak financial counselling bodies, CFH Services across many jurisdictions. This includes UnitingCare Australia, which has also recommended the scaling of Healthier Wealthier Families in their submission to Financial Wellbeing and Capability Programs consultation paper.

Focus Area 5 – Place-based approaches

Question 12: Do you have experience in working in place-based or shared decision-making models of service delivery? What are your reflections? Please provide examples.

The [Centre for Research Excellence into Childhood Adversity and Mental Health](#) (lead by CCCH), seeks to explore how Child and Family Hubs, co-designed with families and service providers, improves children's mental health by earlier detection and response to family adversity. Hubs are part of a place-based response to addressing adversity and family wellbeing and co-locate health and social care practitioners to better identify family adversity as part of an upstream response to preventing child mental health problems, while also identifying and addressing existing issues for children and their families.



Our Hubs have been tested in two communities – Wyndham Vale (Victoria) and Marrickville (NSW). Hubs comprised of a paediatrician, allied health, GP, CFH services, wellbeing coordinator, lawyers and a financial counsellor. The evaluation of the Child and Family Hub model found:

Child and Family Hubs are good environments to provide financial wellbeing programs

Holistic assessment of family social support needs is essential to ensure people experiencing complex care needs (including financial and legal) receive essential social supports (including financial wellbeing support). This includes wrap around service delivery that takes a client centred approach with several interrelated support services being co-located within integrated models of care.

Child and Family Hubs are good environments to provide financial wellbeing counselling and education programs for communities. Financial wellbeing counselling in Hubs and/or primary schools, where there are women and families with young children already accessing services, provide an opportunity for delivering financial wellbeing education programs in an accessible, safe and non-stigmatising setting.

Additionally, with the current acknowledgment of the intersection between health, financial and justice issues, coordinated care between legal and financial counselling support is needed as these matters often intersect for families attending the Hub. This integration needs to be considered when designing and delivering localised service provision to effectively support people experiencing complex disadvantage. [Health Justice Australia](#) is leading the way on supporting collaborations between services to achieve better health, social and justice outcomes for vulnerable communities; however further trialling of effective integrated responses is needed.

To ensure successful integration of financial counselling into Hubs, dedicated resourcing is needed to enable effective coordination of integrated service delivery models. We call this 'the glue'. 'The glue' includes initiatives that are essential for effective service integration and delivery and includes overall management of integrated care service models, such as multi-organisation agreements, data sharing and quality improvement activities; community engagement activities; and evaluation and monitoring. Otherwise, without this 'glue', co-location and service integration does not reach the potential to provide truly holistic, inclusive and timely support for people experiencing adversity.

Enabling data to be shared across services is essential. Not only to be able to monitor who is and is not accessing services but to be able to evaluate whether the provision of services is effective for children and families.



Recommendations:

The Department of Social Services fund the further trialling of integrated service level responses for financial counselling and legal support as part of the Department's next FWC grants program, within Child and Family Hubs.

This includes not only funding for financial counsellors and legal support, but resourcing the core activities, 'the glue' - that enables the integration of service delivery resulting in seamless and sustainable service delivery for clients that access Hubs – such as data sharing arrangements, referral pathways, monitoring and evaluation mechanisms.

A comprehensive, co-designed monitoring and evaluation framework be developed and implemented to assess the impact of such service integration models of care on child and family financial wellbeing and outcomes.

Ensuring the financial counselling workforce is inclusive and accessible

We know from the evidence and research projects conducted at CCCH, that the financial counselling workforce needs to reflect community need and be culturally sensitive and accessible. Not doing so creates barriers for parents to access safe and appropriate services. Financial counselling also needs to be coupled with financial literacy capability building support to avoid recurrent financial counselling support being needed. These FWC supports need to again reflect community needs and be co-designed with communities to ensure appropriate, timely and accessible services and programs.

The FWC workforce needs to be supported to implement trauma informed and family-partnership models of practice and support. Many financial wellbeing clients experience multiple challenges such as mental health difficulties and family violence; trauma-informed and family-centred practice is essential to provide safe and appropriate financial wellbeing services.

In addition to the above and as the consultation paper suggests, people can have feelings of shame and embarrassment when considering seeking FWC services. This can lead to delay in accessing services. Services need to be non-stigmatising, and delivered in a dignified way that supports self-respect, choices and decisions of the individual. Child and Family Hubs can provide a non-stigmatising, one-stop shop for health and social care services to provide financial counselling and legal support for families in need.

Offering flexible models of financial counselling is also important to encourage uptake. Financial counselling provided over the phone, alongside the offer of face-to-face counselling and extended hours of



operation outside traditional business hours (Mon-Fri 9am-5pm), can be an important to enable more families to access financial counselling.

Recommendations:

Department of Social Services:

- supports the successful FWC services to recruit and retain financial wellbeing counsellors that reflect community need.
- actively support people from diverse backgrounds to pursue a career in financial counselling.
- Enables financial counsellors to be skilled in trauma-informed and family-partnership models of practice.
- Supports funded FWC services to offer flexible service offerings such as telephone-based counselling.

Improving awareness and understanding of the National Debt Helpline

The public messaging for the National Debt Helpline (NDH) can be a barrier for some people in accessing the service. Many clients may not have debt but need help with other financial matters that the NDH can provide, but the name of the service indicates that a client may need to have a debt to access the service.

Recommendation:

The Department of Social Services improves public education activities of the NDH to ensure more people are aware of and can access the full scope of NDH offerings.

Focus Area 7 – Improved outcomes and data

Question 16: What are your views on the proposed draft client and service-level outcomes and draft FWC Activity Program Logic?

The proposed draft FWC program logic provides a strong foundation for realising the outcomes of FWC programs funded by DSS. A common challenge in demonstrating program logic models is there are often leaps between broad activities/outputs and then client outcomes, with no indicators at the practitioner or service level to track whether services are programs are on track to achieve short- and long-term outcomes.

This is again the case here. To overcome this challenge in the early years sector, Restacking the Odds (RSTO) has developed a set of lead indicators to ensure that children and families can and do access a



combination of high-quality, evidence-informed services where and when they need them. More information on RSTO is provided below.

Recommendation:

Department of Social Services develop a set of evidence-based lead indicators across programs funded by the DSS to ensure services and programs have the data to know whether they are contributing to client and service outcomes.

There is also an opportunity to ensure the DRAFT Financial Wellbeing and Capability Activity Program Logic aligns with Australian Government's Measuring What Matters Wellbeing Framework indicators. The financial security indicators within the Measuring What Matters Framework are absent from the draft program logic:

- proportion of households who experience a cash flow problem in the last 12 months
- proportion of households unable to raise \$2,000 when needed

Recommendation:

Greater clarification of how the Financial Wellbeing and Capability Activity Program Logic and FWC Outcomes Framework aligns with and supports the Measuring What Matters Framework is needed.

Question 17 - Does your organisation capture data on unmet client demand? If so, what information do you capture and how could the department work with your organisation to report this data?

Restacking the Odds – an early years service sector data initiative

Our experience in using and capturing client and service-level outcomes data is based on working with the early years sector with our Restacking the Odds ([RSTO](#)) initiative. RSTO aims to ensure that children and families can and do access a combination of high-quality, evidence-informed services where and when they need them.

RSTO focuses on five services available in most communities. Together, they help to boost children's health development and wellbeing:

- antenatal care
- sustained nurse home visiting
- early childhood education and care
- parenting programs



- the early years of school.

Using the evidence, RSTO has developed lead indicators in each five service areas, to provide information essential to knowing whether a service or program is on track to achieve desired goals/outcomes. They allow service providers and other stakeholders to regularly assess performance and progress, and course correct when required. They reveal what families and children are experiencing, and allow service providers, government (local, state, federal) and communities to learn and adjust regularly, rather than waiting for years to see outcomes. With this information service providers, community initiatives and government policymakers can then identify approaches to address key service gaps for more effective and equitable service delivery.

Through RSTO, service providers and communities are better placed to:

- respond to the needs of children and families in their community, especially those experiencing vulnerability and disadvantage
- provide more effective and efficient services (and avoid wasting time, money and effort on approaches that fail to deliver results)
- learn and share with others striving to improve children's outcomes
- capture evidence for insights, innovation and advocacy.

From our extensive experience in both identifying and developing lead indicators, collaborating with service providers across a number of sectors and supporting place-based initiatives in applying the RSTO Framework, there may be learning for the Financial Wellbeing and Capability sector that can be shared to support the opportunities identified on pg 37 of the consultation paper.

We would welcome the opportunity to talk further about RSTO and explore how our work may support the Financial Wellbeing and Capability program, including the possibility of developing lead indicators for the financial wellbeing and capability service sector.

For more information regarding our submission:

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