



Promising Practice Profiles

Project title	Manage Your Income Manage Your Life
Project practice	Provision of access to quality financial counselling services free of charge to people in low income groups, experiencing financial crisis due to circumstances such as unemployment, sickness, credit over-commitment or family breakdown
Project undertaken by	Centacare Wilcannia–Forbes
Start date	January 2004
Focal areas	Supporting families and parents
Program	Local Answers
Issue	<p>The Manage Your Income Manage Your Life program was developed in response to growing concern at the extent of financial stress experienced by Aboriginal families who were accessing Centacare’s Financial Counselling Service. The service had identified an enormous gap in financial literacy skills of Aboriginal people in Western NSW. Of the 1,700 Aboriginal people accessing Centacare’s Financial Counselling Service between 1996 and 2004, 97% were assessed to have failed a basic financial literacy test. Community leaders and local organisations also identified the need for appropriate locally based financial management education, support and information for families. The model and funding of the existing financial counselling service was such that it allowed only a limited visiting service to many communities. Intervention and support was therefore only able to “band aid” and more was needed to be done to find a long-term solution that would build the capacity of local communities to support the improvement in financial management skills and in turn lead to a greater quality of life for these families and communities.</p>
Program context	<p>Centacare Wilcannia–Forbes (WF) is the official welfare agency of the Catholic Church of the Diocese of Wilcannia–Forbes. Since its establishment 1996, Centacare WF has provided a diverse range of services to communities in rural and remote areas of Western NSW, including counselling, financial counselling, early intervention services to young families, youth services, services to Indigenous families and communities, community development programs, and community education.</p> <p>Centacare WF’s presence and commitment to the rural sector and understanding of local culture and issues, including within Indigenous communities has led to the agency being recognised as a leader in the provision of services to individuals, families and communities in rural and remote areas of Western NSW.</p> <p>Currently Centacare has offices in Forbes, Parkes, Condobolin, Cowra, Lake Cargelligo, West Wyalong, Narromine, Dubbo, Cobar, Bourke, Brewarrina, and Broken Hill, from which services are provided to the surrounding regions.</p> <p>Since 1996, Centacare WF has delivered financial counselling services to communities in the Far West and Central West NSW (incorporating Murdi Pakki and Orana Regions) with funding from the Commonwealth Financial</p>

Counselling Program. The purpose of the program is to provide access to quality financial counselling services free of charge to people in low income groups, experiencing financial crisis due to circumstances such as unemployment, sickness, credit over-commitment or family breakdown.

Over time, our agency became increasingly concerned about the significant portion of Aboriginal clients accessing the financial counselling service who experienced very poor levels of financial literacy. Poor financial management skills has significant impacts on the day-to-day lives of many Aboriginal families including access to housing and essential goods like electricity and food. Poor financial management skills and the lack of appropriate information and support to Aboriginal families experiencing financial difficulties was a consistent trend identified by key community leaders and local organisations along with Centacare staff providing a range of support services to Aboriginal families and young people in the area. So in 2005, with the support of Caritas and the Commonwealth Bank, the Manage Your Income Manage Your Life program was implemented in the Central and Far West NSW specifically, to the communities of Bourke, Brewarrina, Cobar, Warren, Nyngan, Narromine and Dubbo.

Manage Your Income Manage Your Life is a financial management education program designed specifically for Indigenous communities. The program aims to strengthen the financial management capacity of Indigenous communities in Western NSW through the provision of culturally appropriate training and mentoring to individuals, families and local community groups in all aspects of financial management.

Following the successful implementation of the program in these locations, Centacare was able to attract Local Answers funding to extend the program to the communities of Parkes, Forbes, Condobolin, Lake Cargelligo/Murrin Bridge and Cowra. The program commenced in these locations in 2006.

The Manage Your Income Manage Your Life program involves the training of groups in basic financial literacy, according to their interest and need. In reality the program offers a great deal more than skills in financial literacy.

The objectives of the program are to:

- strengthen financial management skills within Aboriginal families and communities towards enhanced quality of life;
- increase the participation of Aboriginal communities in financial management education and development;
- support enterprise development within Aboriginal communities;
- build the financial capacity of Aboriginal communities by training identified members as “financial mentors”; and
- resource Aboriginal people to demonstrate leadership skills in their communities.

Practice description

There are a number of interrelated factors that contribute to the strength and success of the Manage Your Income Manage Your Life Program. The key ingredients of practice include the following:

Cultural relevance and sensitivity

The programs are delivered in partnership with members of the Aboriginal communities who are involved in the design, implementation and evaluation of activities and workshops. Cultural practices, traditions and preferences are acknowledged and culturally appropriate resource material is used to support activities. Consultation occurs with key community groups and elders prior to planning any activity. The local community is valuable in identifying and engaging local groups and individual participants in the program.

Engagement of participants in development

Participants are involved in identifying their needs and issues as well as decisions about how to address these which contributes to a sense of ownership and generates commitment and ongoing involvement. The program is first introduced to local groups and organisations through conversations that

link financial management skills to identified interests and needs. A schedule of workshops is then organised in consultation with participants who choose content relevant to their needs and decide on the length of workshop program.

Partnerships and collaboration

Manage Your Income Manage Your Life is based on a model of developing strong partnerships with local service providers and organisations.

Attendance at local interagency meetings is essential in order to explain the program and meet key community members. To date this initial work has proven very effective, generating positive local support and commitment, identifying potential partnerships for the program, identifying potential participants for the Manage Your Income Manage Your Life, and providing the opportunity for input into the program. Face-to-face meetings with potential partners to discuss program plans and contributions in more depth has been an important strategy as it encourages ownership and commitment.

The program develops a range of partnerships with other local organisations available to provide specialist assistance to participants. Sessions incorporate presentations by local Bank Managers, Centrelink, the NSW State Debt Recovery Office, and Department of Housing. Providing an environment where participants feel comfortable to ask questions, discuss personal experiences is essential.

Building effective partnerships with organisations such as RTA and State Debt Recovery Office have enabled a flexibility that has allowed participants to access services that they would not normally approach and so begin to address barriers and move forward. For example, the support of RTA to provide on-site training and equipment has resulted in nine participants obtaining their learner drivers licence.

The program delivery is often incorporated with other local initiatives and groups (e.g., youth programs, parenting groups) to form part of a coordinated network of support and deliver education and information in a seamless manner.

Effective delivery methods

Practical application—Workshops incorporate activities that allow participants to put learning into practice in real life (e.g., shopping trips) where the content is relevant to the priorities of the participants. Potential barriers to success for individual participants are identified and addressed. Common barriers include literacy and numeracy difficulties, access to childcare and access to transport. Many participants have successfully obtained drivers license through the program, which in turn increases employment options. This would not have been possible had the driver and license testing coupled with support to negotiate debt repayment plans with State Debt Recovery, had not been included as a component of the program as many participants have literacy barriers that prevent them from accessing the licensing tests at the RTA and negotiating repayment plans with State Debt Recovery.

Transferring skills to local communities

A key element of the program is its emphasis on supporting individual participants to develop skills in financial management along with leadership skills in order to be resourced to provide support and education to other members of their community. Individuals who participate in Manage Your Income Manage Your Life program receive support and mentoring from Program staff to put learning into practice in their communities. Where possible they are supported to access additional training opportunities in order to continue to develop confidence and skills that will remain a resource in their community well beyond the life of the project.

Research base

Literature and research supporting the effectiveness or relevance of the approaches adopted in the Manage Your Income Manage Your Life program can be divided into a number of key areas: what works in building capacity of Indigenous communities; successful financial literacy; and money management programs for Indigenous communities.

Information needs

In FaCS' submission to the National Consumer and Financial Literacy taskforce in August 2004, it was noted that there are many challenges in targeting financial information to Indigenous communities. They have particular needs for assistance in the area of money management that require multi-faceted approaches. Based on their experience, FaCS asserted that a range of financial information that assists in increasing their understanding of economic factors and other factors is required by Indigenous communities including:

- *Basic financial literacy*—understanding income, setting financial goals, balancing values and priorities for money, developing awareness of household money flows; taking control of money flows through spending planning, managing situations when bills can't be paid, where to get help.
- *Centrelink and welfare payments*—payments and services; the purpose of income support payments, what Centrelink needs to be told and why.
- *Money and the law*—proof of identity, hire purchase/credit contracts; tenancy rights; informed consent, consumer rights; where to get help.
- *Banking skills*—getting good service at banks; different kinds of financial institutions/services (e.g., Centapay, Credit Unions, setting up a bank account, banking fees, electronic banking, use of key/credit cards, reading statements, managing access to bank accounts); understanding loan and other banking products and services; creating maintaining and re-establishing credit history. (Department of Family & Community Services, 2004, p. 6).

The Cape York Family Income Management Project is an example of a successful community-based financial management education project. The action research project involves community-based workers who assist individuals and families negotiate a budget agreement and use system tools to implement their money management decisions and make adjustments as circumstances change. The outcomes of this project have been impressive with nearly 600 Indigenous participants improving their ability to cover essential living costs, reduce and manage debts, and save for and purchase goods. Workers also provide consumer information in relation to major purchases and loans. The project is starting to see a shift in participant orientation from daily survival to longer-term planning and saving for the future (Department of Family & Community Services, 2004, p. 4).

Cultural relevance and sensitivity

In a review of important issues for programs designed to reduce offending in Indigenous communities, the Australian Institute of Criminology identify a number of important strategies for effective program design and delivery stating that any program designed for Indigenous communities must be culturally appropriate. This means it must reflect the traditions and values of the local community. A program that is very successful for non-Indigenous communities is not necessarily appropriate for Indigenous communities. Furthermore, Indigenous communities are not all the same. Although it is important to learn about what works in other communities, programs must be carefully adapted to suit the needs of individual communities. (Australian institute of Criminology, 2004).

The uniqueness of Aboriginal and Torres Strait Islander cultures must be appreciated in any attempt to improve financial literacy in these communities (Australian Consumer and Literacy Taskforce, 2004, p. 23). A discussion paper prepared by the Australian Consumer and Literacy Taskforce noted that an ANZ Bank survey of financial literacy conducted by Roy Morgan research in 2003 found that Aboriginal and Torres Strait Islander consumers are far more likely to have low financial literacy and experience financial exclusion relative to the rest of the population and this vulnerable position is often exaggerated by poor health, low socio-economic circumstance and geographical isolation. In reinforcing the position of Indigenous people as among the most disadvantaged groups in Australia with lower levels of financial literacy, the discussion paper concluded that targeted programs are necessary to improve financial literacy and raise living standards given the

particular disadvantages faced by Aboriginal people (Australian Consumer and Literacy Taskforce, 2004).

ASIC identify acknowledging cultural diversity as one of their 10 good practice guidelines in consumer education for Indigenous people stating "there must be recognition of and respect for Indigenous culture and knowledge in the design and implementation of consumer education. This is likely to be achieved when there is community participation in the planning delivery and evaluation of the education" (Renouf, 2002, p. 11).

Engagement of participants in planning

A study by the Australian Institute of Criminology identified several essential components that could help ensure the success of community programs including: community involvement and ownership of programs; involvement of the local community in the actual running of the program (i.e., through the careful consultation with and involvement of the local community at all stages); the early establishment of cooperative partnerships between community members and government or other agencies intending to implement such programs and encouraging community members to identify problems and come up with strategies (Australian institute of Criminology, 2004).

A review of research into good practice in consumer education for Indigenous people found that the most effective strategies for consumer education were:

- planned;
- based on the needs of the consumers involved that would assist them to respond to the problems they face; and
- had objectives, content and methods that were developed with the active participation of the relevant consumers (Renouf, 2002).

Community participation in the development and implementation of education activity is identified as essential by many:

The need for, priorities for, nature of, and content of consumer education for Indigenous people should be assessed and developed in partnership with Indigenous consumers. (Renouf, 2002, p. 11)

Considering the consumers' motivation to learn is another good practice principle identified by ASIC with an emphasis on directing education to clearly identified needs. As Fitzsimmons noted, "people are only motivated to learn when their more immediate needs are being met and when they want to gain some knowledge and skills that you are offering because they believe it is useful or interesting to them" (Fitzsimmons, 1997, p. 46).

Flexible and relevant delivery methods/content

The Cape York Family Income Management Project found that most Indigenous consumers prefer face-to-face assistance when seeking advice on money management. They found that when this advice was offered in a culturally sensitive way, there was an increase in motivation by the consumer to properly plan for their future through budgeting, saving, workforce participation and increasing their awareness of exploitative practices (Australian Consumer and Literacy Taskforce, 2004, p. 23).

The lower literacy and education levels of Aboriginal and Torres Strait Islander people impede the understanding of money management in many communities. Important lessons learnt through FaCS program delivery such as the Aboriginal Child Rearing Strategy delivered to a number of Aboriginal communities in Central Australia between 1997–2001, showed that delivery methods that used community members in their development and were based on the learning preference of the local community were generally more successful (Department of Family & Community Services, 2004, p. 7).

A critical issue for Aboriginal and Torres Strait Islander people is a general preference for face-to-face learning. For example, FaCS funded the development and publication of a resource book by Aboriginal women of the Central Desert Region to instruct Aboriginal parents and carers. The book

used a combination of traditional illustrations and languages and was used by group leaders to deliver parenting classes. FaCS concluded that it was unlikely that a more mainstream approach delivered individually using small print English language material with few illustrations would have been as successful (Department of Family & Community Services, 2004, p. 7).

The Financial Literacy Foundation identifies the development of effective delivery methods as an important principle in developing successful financial literacy initiatives to Indigenous people. According to the Foundation, success depends on the initiative's ability to communicate effectively about financial literacy. This includes using methods that respond to different literacy and numeracy levels and different learning styles and needs, as well as techniques that allow people to explore what money means to them and discover the best solutions for their circumstances:

Case studies, personal stories and practical examples that are relevant to Indigenous people's lives can be used to share information and raise interest about money management. (Financial Literacy Foundation, 2007, p. 11)

While socio-economic and demographic factors are extremely important in considering information strategies for consumer and financial literacy, the real test of the effectiveness of information initiatives and programs include things such as whether the people for whom the information is intended are able to access that information when they need it, whether they can understand and use the information and whether the information meets their needs to a significant extent. Information initiatives and programs therefore, need to be accurate, relevant, appropriate, culturally sensitive, accessible, practical, timely and well targeted (FaCS, 2004).

A review of research into good practice in consumer education for Indigenous people identified several common themes around effective format, content and delivery for education activities including the importance of face-to-face communication, the use of information that is relevant to the Indigenous consumers' real needs and make sense to them given their existing knowledge and understanding of the world; providing opportunities to ask questions and engage in dialogue with the information and is realistic about the consumers ability to implement the advice give (Renouf, 2002, p. 14).

Transferring skills to local communities

Good practice in developing financial literacy initiatives with Indigenous Australians includes:

... enabling and empowering Indigenous people and organisations through "train the trainer" methods and similar coaching approaches broaden the impact. Individuals involved develop new skills that may lead to employment opportunities and have other positive flow on effects for them and for the community. (Financial Literacy Foundation, 2007, p. 4)

ASIC's review of research into good practice in consumer education for Indigenous people showed that interventions in remote Indigenous communities were generally more likely to be effective if they were part of, or integrated with, longer-term sustainable strategies. Project planning should consider how key parts of consumer education activity might become part of ongoing programs or how particular skills and knowledge can be transferred in a way that will become part of the long term fabric of the relevant community (Renouf, 2002).

Partnerships and collaboration

Seeking and establishing cooperation with key stakeholders in local communities and collaborating to provide programs and activities is consistently identified in the literature surrounding successful capacity building programs. Evidence surrounding successful early intervention programs supporting families and communities identifies that integrated comprehensive service systems which provide continuity of support address all the needs of families are essential to sustaining positive program outcomes and effective local level coordination is imperative to ensure that families are linked the

services that meet their needs (Michigan State University 1999–2000; Oberklaid, 2003).

According to the Financial Literacy Foundation, effective financial literacy initiatives equip people with the skills to make their own decisions about managing money and have in place strategies to ensure participants can access direct assistance for any issues that go beyond the scope of the initiative (e.g., debt problems, taxation matters, home loans, Centrelink benefits) (see Financial Literacy Foundation, 2007).

Outcomes

A number of outcomes/impacts have been observed since the program began, which serve to contribute to the overall goal of increased financial literacy and building the financial management capacity of local (Aboriginal) communities. Reported outcomes include:

- participants have increased understanding of money management and greater confidence in improving their skills in this area;
- participants gain employment or re-engage in education following their participation in the Manage Your Income program;
- participants access existing services with confidence;
- participants are resourced to mentor other community members in financial management; and
- participants are resourced to engage in enterprise development.

Evidence of outcomes

A total of 472 individuals have participated in the Manage Your Income Manage Your Life program.

Outcome 1: Increased understanding of money management and greater confidence in improving their skills in this area:

Program and client records show that:

- 411 of participants reported an increase understanding of money management and greater confidence in improving their skills in this area.
- Comment from participant: “I watch my money now, I think more about where I spend it. I’m careful about impulse buying” (Participant evaluation).
- Comment from participant: “I’m wary now about payday lenders and pawn brokers, which is an easy option for someone in my position” (Participant evaluation).
- Of the 97 participants assessed, 78 (80%) were assessed as competent in their ability to shop effectively and reduce overspending.
- Of the 134 participants assessed, 130 (97%) were competent in their ability to save money.
- 160 participants competently designed their own personal money plan.
- 115 participants demonstrated competence in working with a budget.
- Of 401 participants, 350 (87%) demonstrated ability to plan and pay off debts and fines (State Debt Recovery data).

Outcome 2: Engagement with employment or re-engagement in education:

- 187 participants gained employment or re-engaged in education following their participation in the Manage Your Income Manage Your Life program.
- 67 participants were supported to repay outstanding debts and obtain a drivers license.
- 250 participants reported recognising the importance of planning to identify opportunities for further education.
- 3 participants have commenced university studies after participating.

Outcome 3: Participants access existing services with confidence

The involvement of other key services has served to break down the gap and mistrust that traditionally exists between Aboriginal people and services.

Providing a non-threatening environment where participants are able to ask questions and have personal experiences clarified has contributed to increased understanding of support available, knowledge of rights and greater confidence to access services in the future.

Feedback from participants following a session with the Commonwealth Bank:

We felt comfortable enough to ask questions.

It was good how she explained about the accounts, she was easy to understand.

It was good to know that the bank offered traineeships, career paths for our young Aboriginal people.

(Participant session evaluations)

The program has also had an impact on service providers with increased awareness and understanding of issues unique for Aboriginal people and greater confidence in engaging with this group.

Comments from other services about the project:

Manage Your Income really opened the door for our service. By being involved with the program, we have been able to engage with members of the Aboriginal community in Apollo Estate and will now deliver our Diabetes education program there. (Community Health Diabetes Educator)

I was very impressed, it was a very productive session. I expected that there would be a lot of complaints but there was a lot of participation, good questions and a great deal of information shared. (Department of Housing worker following an information session around tenancy rights and issues with participants from a local housing estate)

It was great to have Aboriginal people accessing the Library. It sends a real message to other Aboriginal people that the Library is a facility available for everyone to use. Initially, I was worried about how the participants would feel about a white person teaching them but it all went really well, they seemed to get a lot from it. (Staff member of Library following a basic training session around computers and internet use)

- 100% of participants report increased knowledge of services in the community (Participant evaluations).
- 100% of participants report increased confidence to access other financial management resources and services (Participant evaluations).

Outcome 4: Participants are resourced to mentor other community members in financial management:

- 115 participants report increased ability and confidence to mentor other community members in financial management (Participant evaluations).
- 30 participants have engaged in mentoring activities in their community since completing the program (Program records).
- 3 program participants are now providing regular financial education, mentoring and advocacy to other community members through the Community Centre for Residents of a local housing estate. In addition to supporting family and community with basic budgeting, these women also coordinate referrals to additional support where required.
- 11 referrals to Centacare's Financial Counselling Service have been received from mentors during the last quarter (Financial Counsellor's records).

Outcome 5: Participants are resourced to engage in enterprise development.

Ongoing support and mentoring provided to one local community organisation (Aboriginal Lands Council) in the development of a business and strategic

plan resulted in the following outcomes:

- a successful application for funding to support the development of a business plan;
- a successful application for funding to continue operation;
- engagement of support from Department of State and Regional Development in the ongoing development of a business and strategic plan; and
- a group of 8 participants from the community of Brewarrina have been mentored to establish a successful catering business. Support focused on all aspects of small business management.

A community group of 14 ranging in age from 30 to 60 years received ongoing support and mentoring to establish a meeting place in their community resulted in the following outcomes:

- a venue was located and suitable rental was negotiated;
- a grant of \$25,000 was obtained for setting up the premises; and
- a decision to operate the meeting place under the Narromine Community Working Party in partnership with Narromine Shire Council. The meeting place is now known as the Narromine Community Centre for all the Community to use and was officially opened in August 2007.

<p>Policy analysis</p>	<p>While there are other financial skills building programs, this project is innovative in its development, design and implementation. Cultural relevance is ensured through the engagement of the participants right from identification of needs. One of the strengths of the program is the development of partnerships with local service organisations and other relevant organisations like state departments, Centrelink and banks to meet community-specific needs and the practical delivery methods used. The program is sustainable through the provision of mentoring and access to additional training opportunities to program participants in order to continue to develop confidence and skills that will remain a resource in the community well beyond the life of the project. The program can be easily and readily replicated by other communities. The program also draws on both existing research and practice-based evidence and contributes to the evidence base.</p>
<p>Project evaluations</p>	<p>Internal evaluation by project staff</p>
<p>Project related publications</p>	
<p>References</p>	<p>Australian Consumer and Literacy Taskforce. (2004). <i>Australian Consumers and Money: A Discussion Paper</i>. Canberra: Department of Treasury.</p> <p>Australian Institute of Criminology. (2004). <i>Working with Indigenous communities to reduce crime</i> (AICrime reduction matters, No. 25). Canberra: AIC.</p> <p>Department of Family & Community Services (FaCS). (2004). <i>Submission to the Consumer and Financial Literacy Taskforce</i>. Canberra: Australian Government.</p> <p>Financial Literacy Foundation. (2007). <i>Understanding money: Good practice in developing financial literacy initiatives with Indigenous Australians</i>. Canberra: Attorney General's Department.</p> <p>Flowers, R., Chodkiewicz, A., Yasukawa, K., McEwen, C., Ng, D., Stanton, N., & Johnson, B. (2001). <i>What is effective consumer education: A literature review</i>. Sydney: Centre for Popular Education.</p> <p>Lodder, S. (2003). Working with Indigenous Communities. Stronger Families Learning Exchange Bulletin No.4 Spring/Summer, p.17–23.</p> <p>Hampshire, A., & Lawson, J. (2005). <i>Engaging with Indigenous Australians: Principles, practices and learnings</i>. Paper presented at Social Policy Research Centre Conference, July 2005.</p>

Renouf, G. (2002). *Good practice in consumer education for Indigenous people*. Melbourne: Australian Securities and Investments Commission.

Contact

John O'Mally
Manager, Financial Literacy Team
Centacare Wilcannia-Forbes
135 Lachlan St, Forbes NSW 2871
Ph. (02) 68516936
Email: jomally@centacarewf.org.au

Website

www.centacarewf.org.au



Communities and Families Clearinghouse Australia

Australian Institute of Family Studies.

Level 20, 485 La Trobe Street, Melbourne Vic 3000.

Tel: (03) 9214 7888. Fax: (03) 9214 7839.

Email: cafca@aifs.gov.au.

www.aifs.gov.au/cafca