

# Building Financial Capability

## Supporting community providers who help those facing significant financial hardship

### Wellbeing Budget 2023

**This initiative continues to support Building Financial Capability providers to provide financial mentoring and debt services in their communities.**

**The Government is investing \$29.188 million over four years (2023/24 to 2026/27) in Building Financial Capability (BFC) services. This will ensure providers can continue to meet demand for BFC financial mentors, other core services and Debt Solution Services at current funding levels in 2023/24, and will provide ongoing funding for BFC core services from 1 July 2024.**

- Cost of living pressures, combined with the COVID-19 pandemic, have seen increasing demand for BFC services, which are part of the Government's overall response to the financial hardship experienced by New Zealanders.
- BFC services help clients to feel more in control of their finances by supporting them to build their financial capability.
- Clients are supported to improve their financial knowledge and skills, including setting goals, starting savings plans and developing better strategies for spending.
- Budget 2023 continues funding for BFC providers to deliver a suite of financial advice services. It will allow providers to continue to deliver core services at approximately 133,000 client sessions per annum.
- From 1 July 2024, this investment will support the ongoing sustainability of BFC core services.
- Debt Solutions Services contracts currently finish on 30 June 2023, and Budget 2023 funding will allow for the extension of these contracts until 30 June 2024.
- Budget 2023 funding for BFC services is in addition to \$3m of funding invested in 2022/23, in response to cost of living pressures and extreme weather events.

Costs (\$m, operating)	2022/23	2023/24	2024/25	2025/26	2026/27	TOTAL
		7.297	7.297	7.297	7.297	<b>29.188</b>