

The newsletter of the New Zealand Council of Christian Social Services

50 Years of NZCCSS on UN Social Justice Day 50th Issue of Kete Kupu

On February 20th, NZCCSS Council members gathered to celebrate 50 years since NZCCSS was formed. At Wellington Cathedral of St Paul, member churches, social service agencies and the public gathered to commemorate the ecumenical contribution made by NZCCSS since 1969.

The joint day of worship, as suggested by Cardinal John Dew, was



NZCCSS Council members at joint day of worship.

also a continued call to action, with many of NZCCSS' previous efforts and submissions on display throughout the cathedral.

The kaupapa was also celebrated across the country with several organisations leading prayer and reflection in their own workplaces. Prayer resources were made available for those in different locations, with relevant Bible passages, songs and Te Reo blessings.

Executive Officer Trevor McGlinchey said it was important to celebrate "what we have and continue to achieve together as Christian churches through NZCCSS."

Fittingly, the day also marked the United Nations International Day of Social Justice. Each member church chose a social justice issue to highlight, and attendees were welcome to peruse the issues at different stations

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The 50th Year of NZCCSS coincides with the 50th issue of Kete Kupu. The first issue was back in November 2008 as NZCCSS reshaped the way we communicate with members and the wider public. Guided by the tagline *Aroha Tetahi ki Tetahi – Let us look after each other* it was also the time that saw Policy Watch e-news launched.

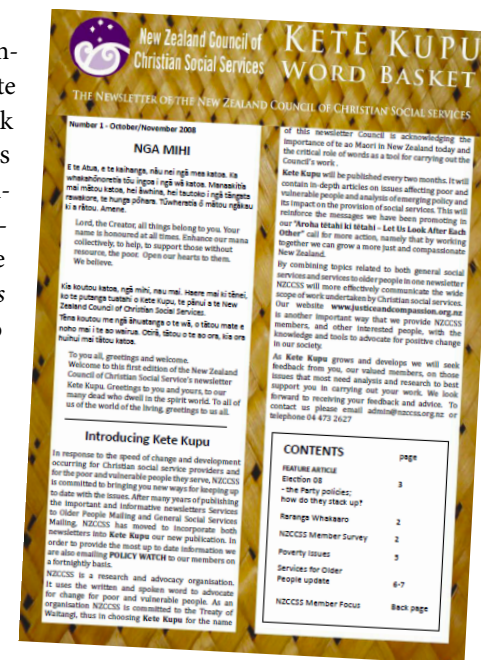
Check out what we had to say back then in [Kete Kupu #1](#) November 2008.

Kia kaha to Kete Kupu

In a diverse working career, an all-time highlight was working on the inception of Kete Kupu – and Policy Watch – with NZCCSS back in 2008/09. In my experience it's very rare for a new publication to get up and going quite as quickly. From the idea of the purpose it would address, the audience it would have and the gap it would fill; and then straight into production – all within about the same week! Another relative rarity is for a newsletter to have kept on keeping on for over a decade as Kete Kupu has. A credit to the dedicated kaupapa of NZCCSS and the influence that 'small things' can have.

He iti te mokoroa, nāna i kati te kahikatea

Stephen Olsen
palavermedia.co



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50 YEARS OF NZCCSS ON UN SOCIAL JUSTICE DAY



Joining in prayer and reflection at Wellington Cathedral of St. Paul.

around the cathedral and join in prayer throughout the day.

Social justice issues from member churches included domestic violence, child trafficking, homelessness and child poverty. One display encouraged attendees to write down an issue close to their heart and peg it to a clothes horse alongside Bible scriptures relating to social justice.

The event was visited by various faith leaders, organisations and civil servants. Labour MP Michael Wood attended the vigil and commended

the ecumenical work NZCCSS has done for 50 years.

Nearly 100 people were present over course of the day, and each member church gathered for end of day prayers and to give thanks for the services that NZCCSS has helped provide. Council will continue to mark the 50th anniversary with more events throughout the year.

Go to our [webpage NZCCSS 50 Years](#) and check out NZCCSS on [Facebook](#) to find out more.

Kore Hiakai: Zero Hunger

Developing a robust network to eliminate food poverty from Aotearoa New Zealand

There has been great interest in the initial hui for this new project that are taking place in Auckland, Wellington and Christchurch during March. We are looking forward to sharing this vision for the elimination of food poverty in Aotearoa New Zealand with the nearly two hundred people already signed up to attend the three hui.

The Auckland City Mission, Wellington City Mission, The Salvation Army and NZCCSS are joining together as a collective of social service agencies focused on eliminating food poverty in Aotearoa New Zealand through finding lasting, structural, mana enhancing solutions.

We will be reporting on the outcomes from these first hui in the next issue of Kete Kupu and in the meantime keep in touch through the [project website](#).

korehiakai@nzccss.org.nz www.zerohunger.org.nz



New Zealand Council of Christian Social Services



Nāu te rourou, Nāku te rourou, ka ora ai ngā iwi

With what you have to offer, with what we bring too, together we all thrive

Tātou tātou e!

The value of relationships in building wellbeing

27–28 August 2019 in Wellington

The third combined conference of Community Networks Aotearoa (CNA) and the New Zealand Council of Christian Social Services (NZCCSS) is to be held in Wellington on the 27th and 28th August 2019.

Planning is in full swing with the aim of bringing together a range of speakers that can inspire, motivate, foster learning and provoke conversations.

The conference theme is “Tātou tātou e!” It is based on the concept of “all of us together” and will focus on how the deliberate valuing and building of strong relationships, of understanding how the interdependence of all of us, of each for the other, is critical to the true development of wellbeing at individual, family, whānau, community and societal level.

Registrations will be opening soon, so keep an eye out on our [NZCCSS website](#) or at [Community Networks Aotearoa](#) for more info and registration details.



Tātou tātou e!
The value of relationships in building Wellbeing:
Wellington 27-28 August



Church Leaders Meet With Prime Minister

The Church Leaders group had its first meeting with Prime Minister Hon Jacinda Ardern in February, along with Cabinet Ministers Hon Carmel Sepuloni and Hon Jenny Salesa.

The meeting was an opportunity for the Prime Minister to get to know the church leaders and discuss three key issues for concern: child poverty, housing and refugees. Copies of the issues papers presented to support the discussions are on the NZCCSS website under Publications.



Thanks and Farewell Sharee!

The NZCCSS end of year Christmas celebrations were also a time to say good-bye to the wonderful Sharee Eden who has been the pillar of our administration and hospitality here in the Wellington secretariat for the past six years. She has moved on to another role with Work & Income, we joined with our friends from Presbyterian Support NZ and Methodist Public Issues to say thank you and wish her well at our Christmas lunch on 17th December.



Small Steps To Reduce Economic Inequality: Tax Working Group Final Report

Following an initial onslaught of opposition to a capital gains tax, the coming weeks will see the less vocal majority assert their support for moves to increase fairness. This was the view expressed by the [Equality Network](#), the network of organisations committed to reducing inequality, in its response to the final report of the [Tax Working Group](#) (TWG) released on 21st February.

Research by polling company UMR done in 2018 shows two thirds of New Zealanders support a [capital gains tax](#) that excludes the family home.

“Reducing tax for low and middle income earners and taxing the gains from capital income for the wealthy are welcome steps towards more fairness and greater equality in this country,” said Equality Network Steering Group member Paul Barber in response to in the TWG report.

The Equality Network (EN) noted the strong emphasis in the TWG report on reducing inequality and imbalances in the system and the report acknowledges that tax plays a critical role in reducing inequality. A fairer tax system would help to rebalance our communities and ensure that all



people contribute fairly to the well-being of our country, according to their income and wealth.

More needs to be done

While welcoming the TWG recommendations as positive steps in the right direction, the EN calls for more to be done to create a coherent system to reduce inequality, including better interface between the tax and benefit systems and a higher tax rate on the highest incomes.

The lack of effective tax on wealth remains the largest gap in the tax system and is deeply unfair. The currently largely un-taxed gains from capital income enjoyed by a relatively small proportion of our country need to be brought into the tax system to help lift the incomes of those who are struggling. The wealthiest 20% of our population are the ones

who are being asked to pay their fair share of tax.

Unlike the other wealthy nations like Canada, United Kingdom, and European Union countries, the New Zealand tax system has little in the way of wealth or capital gains taxes. This is making our system unfair and inefficient, as well as threatening the sustainability and integrity of the tax system, says the TWG in its report.

The proposed tax reductions to those on lower incomes will give some much-needed extra cash to help reduce the level of poverty in this country, especially for households with children. Lowering tax rates for people on lower and middle incomes is effective but the TWG report is also makes it clear that the most effective way to help the lowest income earners is through direct

transfers i.e. increased welfare benefits and other income support. The EN is calling for the government to heed this advice and take action to increase welfare support for those who are missing out.

The links between the tax system and welfare, including secondary employment tax rates and abatement rates for benefits, thresholds for access to Working For Families tax credits and other assistance, have a huge effect for hundreds of thousands of people living in poverty in this country and the EN expressed its disappointment that the TWG has not done more work on this issue. The report of the [Welfare Expert Advisory Group](#) that was submitted to the government this month will hopefully contain proposals for urgent change in this area.

The EN is continuing to urge the government to introduce a higher tax rate on the highest incomes. Cutting tax rates for the lowest income earners will also give tax cuts to all other income earners. Under the scenarios included in the

TWG report, someone earning over \$100,000 per year would receive a tax windfall of up to \$595 per year, the same as someone on \$22,500.

The increased revenue from better taxing high incomes and wealth would ensure that the government has more revenue to meet the urgent health and social needs in our communities, such as better housing, health and education, and deliver wellbeing for all, said the EN.

International research over recent decades has shown that higher levels of [income inequality](#) such as we have had in New Zealand since the mid-1980s are a causative factor in health and social problems including mental illness and imprisonment rates, as well as weakening cohesiveness of society, such as the level of trust, and inhibiting inclusive economic growth.

See [Scoop.co.nz](#) for full coverage of the TWG report and media reaction. Read the TWG Final Report and the many background papers on the [TWG website](#):

www.taxworkinggroup.govt.nz

How much progress in reducing inequality?

Progress in reducing social and economic inequalities has stalled according to The Salvation Army's 2019 State of the Nation Report *Are You Well? Are We Safe?*

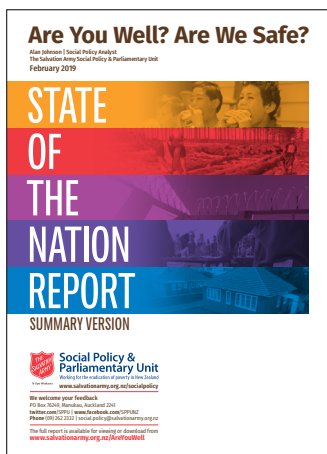
The Salvation Army has taken a wellbeing approach the report this year, reflecting the move from the government to focus on wellbeing in the 2019 Budget. The report focuses on how fairly our growing prosperity as a country is shared. Reducing inequality is essential to improving wellbeing for all and especially for those who are missing out. It looks at the differences between those of us who are doing okay and the most vulnerable. While there is good news in some areas, the report shows a lack of tangible progress in key areas.

The wage gap between women and men has narrowed slightly, with women earning on average 88.2% of the male average wage. The importance of the minimum wage in reducing inequality is underlined by

the fact that the 18% increase since 2013 means there are over 200,000 people receiving the minimum wage, up from 92,000 in 2013.

People receiving welfare benefits have not shared in the growth in wages. Benefits have not increased in real terms since the huge cuts made in 1991, apart from a one-off increase in 2016. The number of people receiving support sits at around 285,000 with unemployment reaching its lowest point in 10 years in September. The majority of those receiving welfare are in situations where they cannot participate in paid employment and they remain in hardship and poverty. The Salvation Army calls for a radical re-think for setting benefit levels, including indexing benefits to wages and salaries as is done for NZ Super.

While there is welcome news that prison numbers have finally stopped growing and indeed declined slightly, the report also shows rising rates of offender recidivism and evidence



Māori Wellbeing Treasury needs to change its approach

The challenge of putting Te Ao Māori at the centre of the wellbeing approach is demonstrated in the strong critique of the current Treasury approach to wellbeing in the Living Standards Framework contained in the Treasury/Te Puni Kokiri

working paper published in January. A truly indigenous lens on wellbeing means applying the seven key areas of wellbeing used by Whānau Ora to the 12 OECD wellbeing domains proposed currently by Treasury. Reading that working paper shows

the extent of the challenge within government officialdom to change the way they approach social and economic policy to be truly inclusive and to truly benefit Māori as well as non-Māori.

Whānau Ora Outcomes

<p>Whānau are self-managing and empowered leaders</p>	<p>Whānau are leading healthy lifestyles</p>	<p>Whānau are confidently participating in te ao Māori (the Māori World)</p>	<p>Whānau are participating fully in society</p>	<p>Whānau are economically secure and successfully involved in wealth creation</p>	<p>Whānau are cohesive, resilient and nurturing</p>	<p>Whānau are responsible stewards of their living and natural environment</p>
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of increasing levels of activity related to social hazards such as alcohol, drugs and gambling.

Goods news also is the reduction in youth offending and teenage pregnancies. But, the report also notes that children continue to experience unacceptably high levels of violence and neglect.

Record levels of housing-related debt are one sign of the continuing housing crisis has been disastrous for lower income households and single adults. There is also a growing gap in educational achievement

between poorer and more well-off communities.

Minister of Finance Grant Robertson felt the need to respond to the report with a press release pointing out all the work being done by the current government to lift child wellbeing through the Families Package giving additional income and the Winter Energy Payment, free GP visits for kids under 14 and the Best Start payment for new born children.

All are agreed that more needs to be done and addressing disparities for Māori especially.

The Salvation Army report includes a table showing gaps between Māori and non-Māori over a range of wellbeing indicators. These indicators show entrenched patterns of disadvantage and perhaps systemic racism.

“The well-being of Māori needs the attention of us all and it appears to us that these gaps will not be fully addressed if we continue to rely on generic policy responses to symptoms of poverty,” says Salvation Army Social Policy Analyst and report author Alan Johnson.

Whānau Ora Successful in Bringing Change

The Whānau Ora approach has been given a strong affirmation by a panel appointed by the Government to review its effectiveness. The review also recommends that government expand its implementation across government and provide more resources.

The review concludes that the Whānau Ora commissioning approach results in positive changes for whānau, that it creates the conditions for that change to be sustain-

able, operates within a structured accountability system, and operates in a transparent manner.

to the whānau they work with and invested in their success. Whānau Ora programmes have been commissioned through three different agencies around the country. Work funded has been a mix of navigation and whānau planning, direct support to whānau and focused projects often involving multiple partners. Te Pūtahitanga o Te Waipounamu in the South Island has also taken a social enterprise approach investing in whānau-developed and local-level initiatives.

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clear that crisis intervention should be the responsibility of central government agencies and/or the NGOs they contract to provide this level of intervention. The review panel criticised Wellington government agencies that do not understand the Whānau Ora approach and/or question its validity and robustness as an agreed government approach. Submitters to the review panel talked of the 'Terrace culture' including lack of trust in innovation and systemic racism. The finger is also pointed at central government agencies for opting out of their responsibilities such as crisis management and leaving it to Whānau Ora providers to do this, even having the expectation that

that "pockets of good practice" are outweighed by a general lack of engagement by government agencies.

Unfair Level of External Scrutiny

There is a significant chain of accountability and reporting of the use of public funding attached to the Whānau Ora commissioning approach which the review panel found was well adhered to by the parties in the system. It notes that the governance arrangements reflect a Treaty partnership with a Partnership Group comprising iwi leaders and Ministers, cross-agency support expectations and devolved delivery and funding to community-led NGOs. As the report notes *tikanga Maori* demands "kia tika, kia pono, kia ngākau māhaki" – to operate with integrity, honesty and fairness. In practice this means engagement through *kanohi-ki-te-kanohi, wānanga, whaikorero* and *pao*.

There is much frustration among those working in the commissioning process about the disproportionate level of external scrutiny applied to Whānau Ora given its relatively short life span with the commissioning approach having only begun in 2014 and the level of funding.

Reviews by the Auditor General and the Productivity Commission are among a number of external reviews that have taken place, with it being pointed out that the same level of scrutiny is not applied to other government-funded initiatives.

The review report notes that within the system there are concerns about the "downward transparency" of the decision-making to partners, providers and whānau themselves, and recommends steps be taken to improve this, including establishing a reference group that reflects the interests of whānau.

Culture-shift to whanau-centred approach needed

A culture shift is needed within government, says the review panel, and Te Puni Kōkiri needs to work with other agencies to use opportunities to overcome the barriers that prevent wider uptake of Whānau Ora and whānau-centred approaches. A whānau-centred approach needs to be applied more widely across government particularly in the Living Standards Framework and preparation of the 2019 Wellbeing Budget. The Treasury discussion paper on Te Ao Māori approach to wellbeing,

The review concludes that the Whānau Ora commissioning approach results in positive changes for whanau.

Funding and Level of Demand the Main Challenges

Obstacles to the success of Whānau Ora will sound familiar to those who work in the non-government social services. The large areas the commissioning agencies are asked to cover means it is difficult to remain close to the communities they serve and a lack of funding means they struggle to reach into rural areas and some deprived populations.

The demand for support outstrips funding and resources available and, in some places, overwhelming the aspiration focus of Whānau Ora and instead moving to crisis-based interventions. The review report is

Whānau Ora is not a substitute for central government inaction, says the review panel.

this would be so. "We are a dumping ground for Oranga Tamariki" says one Whānau Ora navigator. Whānau Ora is not a substitute for central government inaction, says the review panel. "It's like Goliath asking David for help" said one commissioning agency. The panel concludes

WHĀNAU ORA SUCCESSFUL IN BRINGING CHANGE

“Whakawhānau takes a lot of time. They don't trust the system. They have been burnt. I say if you are true and pono, I will go to hell and back for you. But you have to be pono. I deal with whānau, deal with Corrections, Police and Courts. First thing is to listen, then show aroha” (Whānau Ora navigator).

published in January shortly before the review report was released, proposes using the 7 Whānau Ora domains for measuring wellbeing instead of the 12 OECD wellbeing domains included in the draft Treasury Living Standards Framework.

Wider government, especially the social sector departments (social development, health, housing education and justice) need to embed whānau-centred approaches in the strategies and legislation being developed to support the wellbeing of New Zealanders. Being whānau-centred is different to ‘client-centred’ approaches that focus on agencies’ own service offerings and whether clients meet eligibility criteria. They generally do not place the client in the context of their whānau or consider the broader needs or aspirations of that client and whānau.

While the Pasifika Commissioning Agency does have a specific focus on

the Pasifika population across New Zealand, the report notes the continuing misunderstanding about Whānau Ora being only for Māori. The approach is not exclusively for Māori, it is need and aspiration that is the basis for access to support not ethnicity.

The Whānau Ora Outcomes Framework is a well-developed tool to help measure progress in the seven whānau wellbeing outcome areas for whānau that are:

1. Self-managing and empowered leaders
2. Leading healthy lifestyles
3. Participating fully in society
4. Confidently participating in te ao Maori
5. Are economically secure and involved in wealth creation
6. Cohesive, resilient and nurturing
7. Responsible stewards of their living and natural environments

How to measure relationship building?

The effort required to build trusting relationships does not form part of the measurement of results and therefore this relationship building work needs to be better recognised in costing outcomes.

Similarly, the need to collaborate with other service providers and for hapu, iwi to work together has generally been a positive experience, although the report notes that some participants and providers had felt compelled to join groupings with which they felt they had little in common in order not to miss out on participating in the Whānau Ora approach.

Read the report on the [Te Puni Kōkiri website](#).

What Makes a Good Life? Listening to Children

What makes a good life? The Office of the Children's Commissioner and Oranga Tamariki have released their joint report *What makes a good life?* The Report provides an overview of what they heard from more than 6,000 children and young people, commissioned as part of the wider public engagement to inform the Child and Youth Wellbeing Strategy. Key insights are:

1. **Change is needed** – The majority of children and young people are doing well, but some are facing significant challenges. Almost everyone who shared their views could point to something that needed to change if all children and young people are to have a good life.
2. **Family and whānau are crucial** – We heard that in order for children to be well, their families must be well and involved in making things better.
3. **Providing the basics is important, but not enough on its own** – Children and young people want more than just a minimum standard of living. Things such as feeling accepted, valued and respected are just as important.
4. **Children and young people have valuable insights** – Listening to children and young people's views regularly and meaningfully is the best way to respond to their needs, wants and aspirations. We have heard that efforts to support children and young people need to focus on more than just what services are needed. Support systems need to accept children and young people for who they are, respect their critical relationships and support the people they care about to also be well.



Energy Poverty – Will the electricity price review make any difference?

ELECTRICITY PRICE REVIEW – OPTIONS FOR CHANGE

Paul Barber, Policy Advisor,
NZCCSS

The electricity system is failing hundreds of thousands of people, including many children in New Zealand. Some 175,000 households live in energy poverty, paying more than 10% of their income after housing costs on energy costs. Ordinary households are paying nearly twice as much in real terms for electricity now than in the 1990s and must deal with confusing pricing by retailers who do not appear to be doing enough to help their customers to get the best deal.

This is the conclusion to take when reading the Electricity Price Review report released in September 2018. Submissions on the report were published in November and a new Options Paper has now been released that sets out proposals for changes to improve things in the electricity market. They are seeking feedback on these proposals by March 22nd and they plan to deliver a final report to the government in mid-2019.

Electricity prices for ordinary households have risen by around 80% after adjusting for inflation over

Energy Poverty & Hardship in New Zealand

- 175,000 households spend more than 10% of their income after housing costs on energy costs (2015–16 figures) with children over-represented in those households.
- Households are paying nearly 80% more than in the 1990s for power while commercial users pay 24% less!
- Poorest households miss out on prompt payment discounts so pay more than wealthier households for the same services
- Many poorer households underuse power in order to reduce costs, so the energy poverty figures are most likely understating the need.
- Electricity retailers don't make it easy to compare prices and contracts
- People don't have much say in things relating to their power bills

the past 20 years. Prices to commercial businesses have dropped by a quarter (24%) over the same time! The report concludes that system costs have been shifted from commercial and industrial users on to households. Minister for Energy Resource Hon Dr Megan Woods

has said that “New Zealanders want to know that our electricity market is efficient, delivers fair prices and is working for the good of all New Zealanders” (First Report, p1). Clearly it is *not* working for the good of the more vulnerable and low income consumers.

Free-Market Approach Fails Ordinary People

The supply of electricity into homes in this country is a case study in the long-term impacts of neo-liberal free-market philosophy being put into action in a vital part of our national infrastructure. In the 1990s a series of artificial markets for the generation and supply of electricity in this country were created out of a system largely built through central government run agencies over the previous decades since the 1950s.

More than two decades after the initial marketizing of our previously largely government-run electricity system, is a good time to ask has the free-market approach delivered a better result for ordinary people?

New Zealand is doing fine in many respects for our electricity system. It does well for reliable supply of electricity and there is enough

investment in the system to ensure ongoing reliable supply. The review report notes that New Zealand compares well with other countries for energy supply, ranking in the top 10 of 125 countries World Energy Council Energy Trilemma (security of supply, equity, environmental sustainability). Quite how NZ gets such a high ranking when including equity is a little hard to understand, but the message to take out of this is that the focus needs to be on fixing the energy poverty problem in our country.

The energy market is dominated by five big generator-retailers that cover 90% of the market – all of them are listed companies on the share market. The review panel says it “found

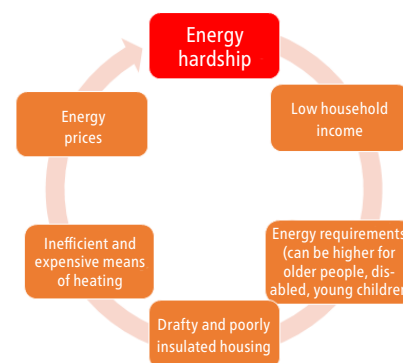
nothing to suggest” grid operator Transpower, electricity distributors, or the generator-retailers are making excessive profits, but they also admit to lacking enough detailed data to make a definitive assessment of this.

The review concludes that current and near future energy supply for consumers is reliable and affordable and fairly priced and there is sufficient investment going on to meet future demand. But there are changes needed to protect low income households and respond to future changes to how electricity will be generated and used in the coming decades.

Consumer voice still on the margins

There were 107 submissions received in response to the first report of the Electricity Price Review and they are available online on the [Ministry of Business, Innovation and Employment website](#).

Not surprising those submissions appear to predominantly come from the industry participants themselves, with a sprinkling of individual and consumer and community organisation voices. In writing this analysis, I chose to focus on those



SOURCE: INVESTIGATING DIFFERENT MEASURES OF ENERGY HARSHIP, STATSNZ, 2017

ENERGY POVERTY – WILL THE ELECTRICITY PRICE REVIEW MAKE ANY DIFFERENCE?

Comments due 22nd March

<https://www.mbie.govt.nz/building-and-energy/energy-and-natural-resources/energy-consultations-and-reviews/electricity-price/>

Use the online submission form or email energymarkets@mbie.govt.nz



voices to show how the electricity sector is affecting the ordinary people it is here to serve.

Common themes of submissions from The Salvation Army, Child Poverty Action Group, budget advisors umbrella group FinCap, Grey Power, and the He Kainga Oranga Housing and Health Research Programme were that the low user charge is an important protection for many low income consumers, the pricing system does not service lower income and vulnerable households well, the consumer voice has very little influence despite good engagement in some parts of the sector, and good regulation is vital to ensure the system is run for the benefit of all New Zealanders.

Changes Proposed

The Electricity Price Review panel has identified things that could be done better for low income households. They believe that low income

households may bear an unfair share of the costs of the structural changes needed for the future needs of our electricity system unless changes are made. They also think there may be better ways to low income households than the current low fixed charge tariff regulations that gives a lower price for low energy user households. The proposals for change that they are consulting on that directly impact energy hardship are:

1. Reducing energy hardship by:
 - offer extra financial support for households in energy hardship
 - prohibiting prompt-payment discounts but allow reasonable late payment fees
 - set up a fund to help households in energy hardship become more energy efficient
 - set mandatory minimum standards to protect vulnerable and medically dependent consumers

Social Workers Registration Act 2019

Sonia Scott, NZCCSS Policy Advisor

The Social Worker Registration Legislation Bill has been given a third reading and Royal Assent. Changes will come into force over the next two years. The objective of the legislation is to give greater protection to vulnerable people and to increase the professionalism of the social work profession.

Minister for Social Development Carmel Sepuloni has praised the Social Work Alliance, that includes representatives from professional

- explore bulk deals for social housing and/or Work & Income clients
 - establish a cross-sector energy hardship group
 - define energy hardship
 - establish a network of community-level support services to help customers in energy hardship
2. Strengthening the consumer voice through establishing a consumer advisory council and ensuring regulators listen to consumers

Take the opportunity to add your voice to the call for system changes to help low income households and those who are vulnerable.

associations, the statutory regulator, employers, educators and the union and social work advocates for their collaborative work with government officials to ensure the legislation is fit for purpose. A key revision to the Bill is the inclusion of a scope of practise omitted from the earlier draft.

NZCCSS supports this legislation but notes it will not address long-standing cost barrier to registration within the NGO sector that is part of a wider issue of stagnant funding to the community sector.

NZCCSS will be discussing the implementation of the Act with members later this month and will keep members updated.

Below are some of the key changes contained in the legislation. For further information the Social Workers Registration Board has put together a useful Questions and Answer Sheet.

Some of the key changes:

- **Section 5A** requires the Board to determine scopes of practise for social work profession.
- A **new Section 6AA** prohibits any unregistered person from using words, titles or descriptions which

state or imply that they are a social worker.

- **Section 6AAB** states no person may practise as a social worker unless they are registered as a social worker, they practise within the terms of their individual scope of practice, and they hold a current practising certificate issued by the Social Workers Registration Board.
- A **new Section 38B** imposes a mandatory requirement on any employer employing one or more social workers to investigate whether a social worker is competent as soon as practicable after becoming aware that they may not be competent to practise as a social worker.
- Any employer who has investigated a social worker and taken steps to improve their competency but still believes on reasonable grounds that they are not competent to practise, must report that belief to the Board.
- **Non-registered social workers** have until to 2021 to be registered. Practising social workers who fail to obtain registration within two years could face prosecution by the Ministry of Social Development.

A Cap on Interest Rates Vital to Combat Loan Sharks

New consumer credit laws will need to include interest rate caps, real controls over debt collection companies and faster enforcement of breaches to the law. That is the strong message from the head of the national budget advisors network FinCap, Tim Barnett.

Greater access to safe, fair and affordable credit alternatives is also needed, says Robert Choy, CEO of Ngā Tangata Microfinance (NTM). NTM offers an alternative no-interest loans scheme, with loan capital provided by Kiwibank and in partnership with FinCap and budgeting services to help people escape the debt trap of high interest credit. While both organisations welcome the steps that the government is taking to strengthen consumer credit law, their proposal fall well short of what is needed. “New Zealand consumers need protection from these predatory companies. Our bottom line is that New Zealanders should get the same level of protection as the Australian Government has given their citizens,” says Tim Barnett. But they don’t currently and the law changes signalled late last year by the Minister for Consumer Affairs, Kris Faafoi are not enough.

In addition to the call for a cap on maximum interest rates, NTM would like to see stronger action to address the negative impact of fringe finance company practice; bringing mobile traders within the legislation; and a comprehensive creditor licensing system.

NTM’s Robert Choy says, “In almost all cases, our clients have taken on high-interest debt out of desperation and because there are no other options available to them. That’s why we exist – to provide a service that’s safe, fair and affordable, and to show people that the debilitating stress of high-interest debt doesn’t have to be permanent.”

A survey conducted by FinCap of 80 services nationwide, which provided financial mentoring and budget advice to over 15,000 people in 2018, demonstrates the huge impact on vulnerable people, with most households including children, of lenders behaviour.

Most people have taken out loans to cover basic living costs, with most having more than one debt, many have three or more debts. Almost all debt collectors add additional collection fees and interest to loans, and harmful behaviour such as repeated

phone calls, frightening or threatening letters and visits to people’s homes are more common than helpful action.

NZCCSS backs this call for stronger action. As we argued in our submission to the 2018 review, easy access to high-cost credit is a social problem in itself. Our consumer society today has been built on a philosophy of loosening access to credit and encouraging people to go into debt. The consequences of this have been an enormous increase in general indebtedness in New Zealand over the past 30 years. The combination of low incomes, high living costs and easy access to credit are driving people into unmanageable debt. Action is needed to turn around this exploitative spiral of debt creation.

The government is intending to bring new laws into effect by 2020 and legislation will come before Parliament this year to implement these changes and it will be important for many voices to join the call for even tougher action against predatory lenders.

The Good Shop is taking on Mobile Traders

The Salvation Army has decided to meet the exploitative traders head-on by setting up their own fair mobile trader service.

The Salvation Army has launched the Good Shop initiative in South Auckland in February in

response to mobile traders taking advantage of people already struggling with exploitative interest rates that trap people into debt. The initiative involves a roving truck offering vulnerable consumers access to honest financial advice and quality goods at no interest—a stark contrast to the 800 per cent terms that The Salvation Army has seen in some mobile lending operators’ contracts.

The predatory lending industry is booming, growing 39 per cent or by \$1.5 billion in the past five years. “The Good Shop will provide a safe alternative solution to people who may struggle with transport, are unable to make upfront payments or cannot obtain credit from mainstream stores to purchase what they need,” says Good Shop Manager Judi Hoare.

People will be able to get essential household items such as food,



SOURCE: WWW.SALVATIONARMY.ORG.NZ

furniture, electronics, appliances, whiteware and baby items via online shopping technology on board the truck. Salvation Army workers will be on hand to assist clients plus provide referrals to other services and welfare that may benefit them, including budgeting advice.

Consumers will be able to access The Salvation Army’s interest-free loans supported by BNZ and Good Shepherd NZ to buy cost and energy-efficient items at competitive prices from The Warehouse, Noel Leeming and Warehouse Stationery plus grocery items from Countdown.

Plans are under way to launch the service in Wellington as well and eventually roll out to areas of high deprivation where mobile traders prey on people’s high needs and lack of alternatives. Find out more about this service on The Salvation Army website.

Healthy Homes Standards will mean better houses for the most vulnerable

Paul Barber, Policy Advisor, NZCCSS

The new Healthy Homes Standards released in February are the right thing to do and the right time to do it. This is about saving lives of young children and older people, who are made ill by the condition of their homes and die as a result. This is about helping children stay well so they can attend school and improve their education. This is about ensuring those who are living with a disability can find rental housing that helps them to live well with their disability. This about helping people stay healthy and remain in the paid workforce, have fewer sick days and be more productive.

The churches social services organization are working with thousands of people who are renting in the private rental market. Many of those people face huge problems with cold, draughty and damp housing which for a variety of reasons are not maintained by landlords and property managers to a decent standard.

NZCCSS has been calling for stronger standards in our comments to the consultation in 2018. The new standards will require rental properties to have decent heating and insulation as well as proper ventilation, draught-stopping and moisture protection.

The right to decent housing is one of the basic human rights and should be seen as a central priority for a wealthy country like ours. Yet the poor state of many private rental houses fails to meet this fundamental part of a decent society.

Up to a third of rental housing, about 200,000 homes, need some sort of upgrade. The one-off costs to landlords to comply with the standards, estimated at a maximum of \$7,500–\$10,000 per property are reasonable and most properties will cost less than this to meet the standards.

Landlords have enjoyed large capital gains over recent decades as average property values in many places have risen. In the largest private

rental market, Auckland, the costs of meeting the standards make up barely 1% of the market value of many rental properties. Meeting the standards should be seen as basic good practice in maintaining a home and ensuring it retains its value.

It is unlikely these new standards will reduce the supply of rental housing overall, simply because the demand and need for that housing is high. There are too many other factors that influence the rental market. What we do know for certain is that, with proper enforcement, these standards will ensure that the quality of rental housing for all people living here in this country will improve significantly. Find out more about the standards and what they mean for renters and landlords on the Ministry for Housing and Urban Development website or Tenancy Services.

neighbours day AOTEAROA

Time to Celebrate Neighbours

March 22 - 31 2019

www.neighboursday.org.nz

LIFEWISE
Inspiring Communities
NEW ZEALAND RED CROSS
Mental Health Foundation
Housing New Zealand
Neighbourly

Neighbours Day Aotearoa – March 22–31

The best possible reason to get to know you neighbours and build local community. Neighbours Day Aotearoa 2019 is happening over the 10 days from 22nd–31st March. Get ideas and resources from <https://www.facebook.com/NeighboursDay/> or <http://neighboursday.org.nz/> register it on the website, win a t-shirt, and get to know your neighbours!

Rātā Village Community Housing Replaces Rest Home in the Hutt Valley

Wesley Community Action is expanding its community housing as part of its new Wesley Rātā Village project in Naenae in the Hutt Valley. They will replace the former rest home and hospital on the site and will add 25 new built units to the existing community housing units, meaning a total 55 affordable rental units.

Wesley Community Action is combining with the Methodist Airedale Trust and Methodist Trust Association that are providing project management and funding support. David Hanna, Director of Wesley Community Action describes the project as part of the organisation's wider vision to use the 60-hectare site to strengthen community by providing quality rental homes for mostly older residents and creating places for the local community to gather and share across the generations.

"We want to grow a village where older people can live amongst a range of ages, maintaining their independence while supporting each other."

He says Wesley Community Action has become increasingly concerned about the growing number of

baby boomers entering older age with no permanent home and few assets.

"Through our many years of working with vulnerable older people we know

that a growing number of them will spend their later years in sub-standard rental accommodation. This can put them at greater risk of loneliness and poor health. We want to help fill this gap by creating an intergenerational community with older people at its heart."

While most of the homes will be smaller one or two-bedroom units, four larger homes will be occupied by family groups, but the focus will continue to be older people.

David Hanna sees this as continuing the tradition of innovation that saw the original villas built in 1953 as one of the first retirement villages in New Zealand with a hospital, rest home and villas. He says that "Wesley Rātā Village will be a place to explore new ways of re-creating a diverse community that has caring embedded into it."



Easy Build House for Rātā Village www.wesleyca.org.nz

Two of the two main existing buildings on the site, The Strand and the former Wesleyhaven Hospital are already being used for a range of community activities. These include an Ageing Well group, a Positive Seniors Club, regular community meals, an intergenerational play group, a nature playgroup and a project to make the native bush on the site site's bush more accessible to the local community being carried out in partnership with Naenae Nature Trust.

"We will continue to work closely with the Naenae community to develop Wesley Rātā Village into a place that helps re-weave community and build a sense of connectedness and belonging for all age groups."

Vocational Education Reform takes ITO sector by surprise

The industry training organisations (ITO) seem to have been taken by surprise when the Minister for Education Chris Hipkin announced details of a major review of vocational education training (VET) on 19th February. The review has significant implications for industry training and there is a very short timeframe to respond to the review with **comment due by 27th March**.

Health and social services sector ITO Careerforce summarises the proposals on its website and full details are also on the Tertiary Education Commission website.

The proposal makes three recommendations:

1. Redefining the roles of education providers and Industry Training Organisations (ITOs), and creating new Industry Skills Bodies
2. Merging the 16 Institutes of Technology and Polytechnics (ITPs) into one Institute of Skills & Technology (IST)
3. Creating a unified vocational education funding system

What does it mean for employers, trainees and apprentices?

This is a proposal that has been put out for consultation, and which has caused significant consternation from many parties.

Careerforce has made it clear that "for our employers, trainees and apprentices, it remains business as usual, and we can make an absolute commitment to you that existing and new trainees will not be detrimentally affected regardless of outcomes. Any training programmes will be completed, and qualifications awarded."

Should the proposal proceed as outlined, the outcome is that current ITO trainees and apprentices (approx. 140,000) will be transitioned across to the proposed New Zealand Institute of Skills & Technology entity. This would not be for some time down the track.

Careerforce is seeking feedback from employers and trainees about the proposed changes to help inform its response on behalf of the sector. They are asking for responses to a short survey to help them with this

Submissions are also encouraged direct to the VET review.

IRD is Changing – Payday filing Starts 1st April 2019

All employers will be payday filing from 1 April 2019, so March is your last chance to get organised.

On 11 March, the ir-File service in myIR, used to file Employer Monthly Schedules and Employer Deductions forms, will be discontinued. The 'Payroll Returns' account replaces this, which is available now in the My Business section of myIR.

The IRD [payday filing website](#) has plenty of resources to help, including downloadable guides, how-to videos, checklists, and links to on-demand webinars.

Changing for You – Tax Changes for Individuals

The IRD is working on some proposed changes that are currently going through Parliament and are designed to make our tax system more straightforward for you. If the law changes, these are some of the things you need to look out for from 1st April 2019:

• Income Tax notifications

If your only income is from salary or wages, or investment income, you will receive an end of year Income Tax Assessment

between mid-May to mid-July. This will tell you how much you've earned and how much tax you've paid.

• Automatic tax refunds

If you've paid too much tax during the year, and your contact and bank account details are up to date in our system, you will automatically have a refund paid into your bank account.

• Helping you stay on track

If it looks like you are on the wrong tax code, or are paying too little or too much tax, we can let you know.

Visit the [Changing for You website](#) to find out more about the proposed changes and what they could mean for you.

CHANGING FOR YOU

CHARITIES ACT REVIEW:

HAVE YOUR SAY



The Government is reviewing the Charities Act 2005 to ensure the Act works effectively for charities, their staff and volunteers, and the public. We would like to learn about your experiences of the Act.

The Act outlines what organisations can register as charities and what is required of those charities. Registration provides such benefits as greater recognition for charities from the public and funders.

HAVE YOUR SAY

The Department of Internal Affairs will be releasing a discussion document in late February 2019. Community meetings will be held from 6 March to 18 April 2019, to support you to submit your views by late April 2019.

WHAT THE REVIEW COVERS

The review focuses on such issues as:

- the purpose of the Act
- obligations of charities
- how registration decisions are made
- how charities can appeal decisions
- charities that have businesses
- issues for Māori charities
- how charities can advocate for their causes.

WHY THE ACT IS BEING REVIEWED

Charities play a vital role in supporting communities. A well designed Act can help charities to thrive and can enhance public trust and confidence in charities.

This is the first broad review of the Act since its introduction, and the environment for charities has changed in that time. The review is an opportunity to let us know how the Act is currently working in practice.

COMMUNITY MEETINGS

We encourage you to:

- attend a community meeting to hear about the review and discuss it with the Department and members of the review's non-government Core Reference Group
- write a submission on the discussion document.

Meetings about the review will be held in:

- Whangarei
- North Shore
- Waitakere
- South Auckland
- Auckland Central
- Hamilton
- Whakatane
- Rotorua
- Hastings
- Gisborne
- New Plymouth
- Palmerston North
- Carterton
- Wellington
- Lower Hutt
- Nelson
- Christchurch
- Dunedin
- Invercargill

Register at

www.dia.govt.nz/charitiesreview

ANY QUESTIONS?

Contact

charitiesactreview@dia.govt.nz



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