



Key pressure points in communities captured in NZCCSS member reports 2009–2015

“Our love is not to be words or mere talk, but something real and active” (1 John 3:18)

“Our Social Workers In Schools have reported that when clients and families’ basic needs of housing, food, and warmth through proper clothing and shoes are met, the majority of children effectively engage in school activities with positive outcomes to their learning. Similarly the parents are more engaged and able to participate in the future planning of their children’s education.”

Family Works, Presbyterian Support Northern

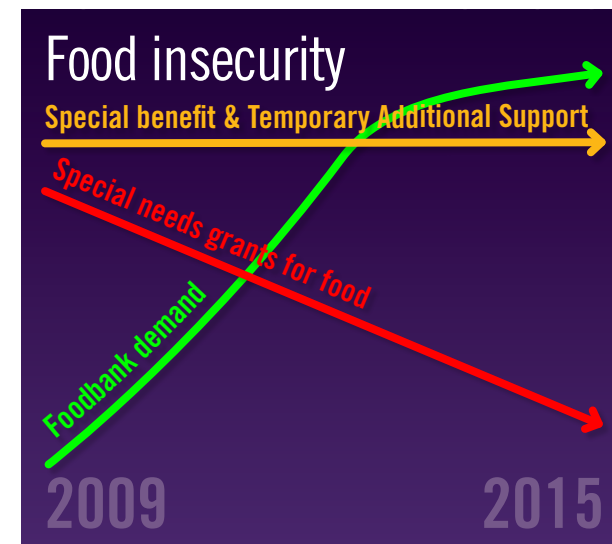
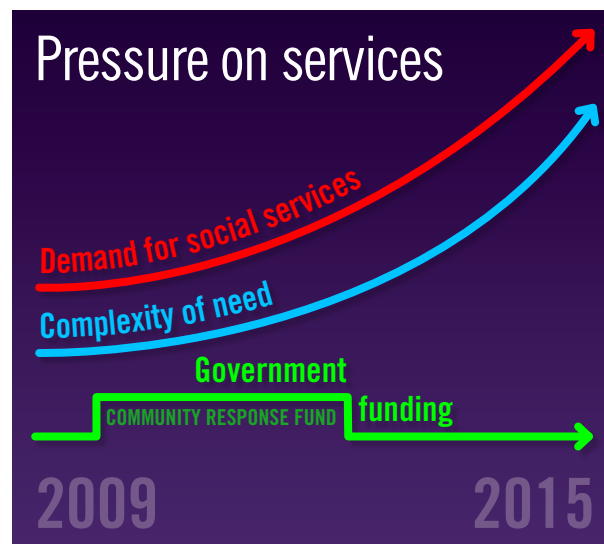
The 22nd edition of the *Vulnerability Report* is the final of this series, and a celebration of the value and commitment of our member agencies to the communities they serve. First published in 2009, the report grew out of a deep concern by the New Zealand Council of Christian Social Services (NZCCSS) about the impact of the 2008 Global Financial Crisis (GFC) on communities across New Zealand. The report takes a look over the past six years and captures what has been a period of relentless change to the social services landscape, of increasing demand for services in communities, that plateaued around 2011, but never returned to pre-GFC levels, of increased complexity of people’s needs, and of no additional funding.

At the heart of all of this constant flux and pressure has been the hard work and steadfast dedication of our member agencies to make a positive difference to the

lives of people in need. The ongoing increase to the complexity of need among families and communities our members’ serve, has required huge additional resources and effort. At the same time, government funding has remained static, or has been allocated to for-profit organisations. In the face of these demands, member agencies, and other community-based organisations, have risen to the challenge and supported families to make positive change for their and their children’s well-being.

The delivery of social services contracted by government is currently undergoing significant

change, as signalled by the review of Child, Youth and Family. This strategy represents a new way of thinking about what government will fund and who will benefit. The impact of these potential changes on our members’ ability to serve their unique communities is unknown. What is likely is there will be opportunities, challenges and unintended consequences. What will not change, however, is the steadfast commitment of our members to respond to the Christian Mission that calls us to show love, hope and compassion, and to empower people to make positive change to their lives.



Overview

Normalisation of food insecurity

Over the past six years our reports show that food has become a discretionary expense, which was reduced to pay high rents, outstanding debt and electricity bills. The reports also show the provision of foodbank services and meals by NZCCSS' member agencies becoming a 'normal' part of how many people coped when income levels are too low. The demand for food assistance stabilised, but at 2010 'peak' levels, with member agencies continuing to report high levels of need for food assistance in communities. At the same time, applications for "special needs grants for food" declined by 28% between 2009–2015.

Chronic housing shortage

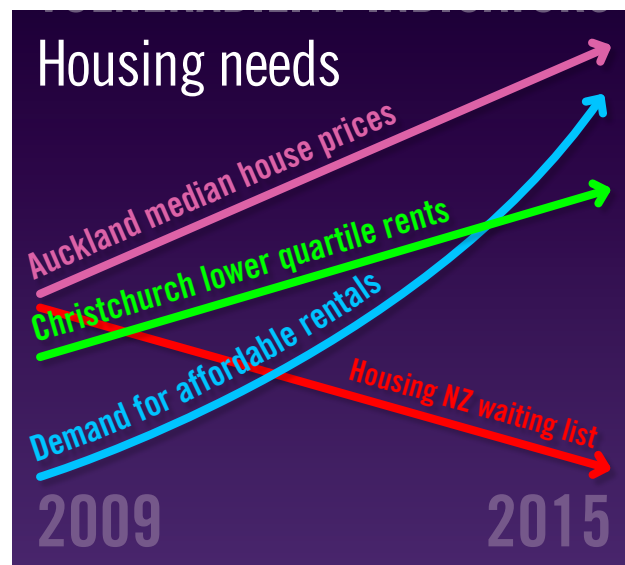
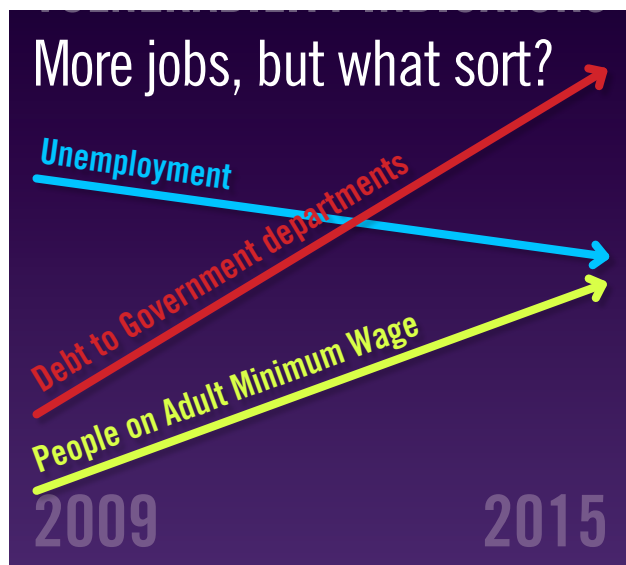
The story of housing need captured from 2009–2015 tells of a housing crisis that has simply spiralled out of control. The shrinking of house construction across all

regions post GFC, coupled with ongoing rent increases in private rental accommodation, median house values, and waiting lists for state housing all combined to create a housing crisis in communities across New Zealand. This crisis was found in households in both paid work and in receipt of a benefit.

At the beginning of the GFC, how this housing need played out in communities differed according to the level of vulnerability experienced by those approaching services.

Agencies reported middle income people struggling to keep hold of the family home, sat alongside people unable to afford to pay rent and in need of urgent accommodation. For those whose household income did not improve, and who were without any financial buffer to afford new rents and bonds, the six year story became one of inadequate housing 'choices' (overcrowding, caravan parks, garages, cars, and unsafe boarding houses), a steep rise in emergency housing need, and a deepening sense of despondency among those waiting

for an affordable rental house, state house, or one of a few homes available through a community housing project.



Hardship Assistance over six years

Between 2008–2009 hardship assistance seemed readily accessed across all categories of hardship assistance as indicated by official data [VR Issue 3, 2009]. From mid 2010 the VR series noted the start of a decline in people accessing hardship assistance across most categories of hardship.

Special Needs Grants (for food) (all benefit categories)

Dec 2009	Dec 2015	
136,596	98,076	–28%

Special Benefit/Temporary Additional Support (all benefit categories)

	Dec 2009	Dec 2015	
Special benefit	12,210	3,567	
Temporary Additional Support	50,743	60,582	
Total	62,953	64,149	+2%

Benefit Advances for Electricity, Gas and Water (all benefit categories) Ministry of Social Development

Dec 2009	Dec 2015	
11,585	5,326 *	–54%

*excludes water

Housing shortages

Housing New Zealand waiting lists

The waiting time for a state house presents a paradox. The number of people assessed as needing a state house has dropped while at the same time overcrowding, homelessness, families living in unsafe temporary accommodation (caravans, boarding houses, tents) has become more visible in communities.

Housing New Zealand waiting list

Oct 2009	Dec 2015	
10,341	3,476	-66%

Average house prices

Median sale prices	Dec 2009	Dec 2015	
National (excluding Auckland)	\$352,000	\$379,000	+8%
Auckland	\$470,000	\$770,000	+64%
Wellington	\$400,000	\$436,000	+9%
Christchurch	\$347,250	\$420.00	+20%
Otago	\$230,000	\$247,500	+8%

The rising cost of rental accommodation presents a further challenge to people on waiting lists for state homes or not eligible to go on the 'housing register'. Across all of the main centres, even lower quartile rents increased. Where do you go if you can't afford to rent a house in the private sector? What options are left?

Average cost of private rentals MBIE

Lower quartile rents, 4-bedroom houses	Sept 2009	Sept 2015	
Auckland			
Otahuhu	\$355	\$470	+32%
Mangere	\$396	\$490	+24%
Wellington			
Kilbirnie/Lyall Bay	\$471	\$550	+17%
Lower Hutt	\$437	\$482	+10%
Christchurch			
North Beach / New Brighton / Southshore	\$330	\$445	+35%
Dunedin			
Mosgiel	\$300	\$320	+7%
Timaru	\$250	\$320	+28%

Impact of new social welfare rules and obligations

From 2011 reports from our member agencies started to shed some light on the impact of the Future Focus reforms on communities. Reports indicated new obligations to obtain benefit assistance may have created an environment that made it too hard for some vulnerable people (often people with low skills, low

literacy, social isolation, mental health challenges) to understand and navigate welfare support. Reports also indicated that 'getting into work' was not necessarily the panacea for all single carers with dependants. For those struggling with complex needs, new work obligations exacerbated family distress, particularly for those carers working in low skilled, low paid, temporary jobs, often outside of standard work hours (i.e. night shifts).

New social welfare rules and obligations

Main benefits Ministry of Social Development

Benefit type	Dec 2009	New benefit categories	Dec 2015
Unemployment benefit	66,328	Job seeker support	122,927
Domestic purposes benefit	109,289	Sole parent support	68,380
Sickness benefit	59,158	Supported living payment	93,848
Invalid's benefit	85,038		
		Youth	821
Other	25,663	Other	15,373
Total	345,476		301,349 -13%

The magnitude of main benefit declines and financial sanctions revealed

The data made available to NZCCSS in 2015 gave an insight into the magnitude of financial sanctions issued by Work and Income offices. A total of 80,202 were applied to working age main benefit recipients during a fourteen month period (July 2013 to September 2014): Job seekers (60,255), sole parents (19,551), supported living (33) and other (363). The official data identified not attending an arranged appointment as the main reason for the first sanction. If we look at the total impact on children, a total of 27,778 households with children received a reduction to their benefit (graduated/suspended or cancelled) during the timeframe. How did financial sanctions improve the lives of already vulnerable children?

Debt presented to the NZ Federation of Family Budgeting Services to government departments

Data collated by NZFFBS indicated debt to government departments has increased every year since 2009/10, and over the six year period increased by 144%. The *Vulnerability Report* series captured the real stories behind household debt and the impact on already struggling families.

Increased household cost

The resounding narrative throughout the last six years is one about the impact of an inadequate household income (for those in low paid and precarious jobs and for those on benefit payments) in the face of relentless increases to household costs, particularly housing costs. It may take one unexpected expense and without a financial buffer, people turn to third tier lenders and credit, creating a spiral of debt and more hardship.

In the face of all this change, increasing complexity and level of demand, without any additional funding, NZCCSS members and other NGO service providers have continued to successfully support families. This however is not sustainable. Government must recognise the huge contribution made by community social service organisations working with children and families, and increase resources to ensure this critical work continues.

After six years of publishing the *Vulnerability Report* the decision has been made to finish this series. The development of effective data-based client management systems means many NZCCSS members are gaining more accurate data about the experiences of their clients, their strengths and the challenges facing them.

Benefit declines, financial sanctions and debt to government departments

Sanctions applied to working age main benefit recipients between 15 July 2013 and 30 September 2014

Ministry of Social Development

Benefit		Graduated	Suspended or cancelled	Total
Jobseeker support	No children	31,869	20,446	52,315
	Children	7,888	52	7,940
	Total	39,757	20,498	60,255
Supported living payment	No children	10	s	s
	Children	23	s	s
	Total	33	s	s
Sole parent support	No children	4	0	4
	Children	19,547	0	19,547
	Total	19,551	0	19,551
Other	No children	95	0	95
	Children	268	0	268
	Total	363	0	363

Note: 's' represents a suppressed cell to protect client privacy.

Working age main benefit declines between 15 July 2013 and 30 September 2014.

Ministry of Social Development

Benefit type	Number of declines
Emergency maintenance allowance	257
Sole parent support / sole parent support overseas	5,050
Supported living payment	6,102
Emergency benefit	1,879
Jobseeker support	21,377
You payment / young parent payment	463
Total	35,128

Debt presented to by clients of the NZ Federation of Family Budgeting Services to Government departments. Note: debt is likely to include allowances for emergency housing

2008/09	2014/15
\$25,907,132	\$63,209,572

NZCCSS is developing a process to access this data in an anonymous way – having no client identifiers but being able to understand their demographics and locations. Through gathering this data we will be able to produce a more nuanced report, one that can better explain the strengths of the clients, of our member service providers and the ways they work together to achieve change. This

'new style report' will also give strong insights into the impacts of government social and economic policy on the families and communities our members serve. It is hoped to publish an initial 'new style report' early in 2017.

Employment and unemployment

While the employment rate over six years has shown signs of improvement for some regions and occupations, the average percentage change indicates comparatively small growth (up 10%), when we consider the number of people employed in 2009 and 2015. 133,000 people looking for work at the end of December 2015 need access to an appropriate range of social supports [Statistics NZ].

If the employment data is broken down by ethnicity, the percentage change for unemployment for Maori and Pacific People is greater than for European, but the average unemployment rate across ethnicity remains skewed to European demographics.

The story for NEET youth follows a similar trend. While progress has been made there is still a long way to go before there is equality across all ethnicities.

Employment

HSLFS, Labour Market Statistics

	Dec 2007	Dec 2008	Dec 2009	Dec 2015	
Employed			2,152,000	2,369,000	+10%
Unemployed			168,000	133,000	-21%
Unemployment rate (as a % of the labour force)	3.4%	4.6%	7.3%	5.3%	

Joblessness

Dec 2009	Dec 2015	
275,900	259,400	-5.9%

The group of jobless people not officially unemployed make up 11.2% of those not in the workforce

Another dimension to the labour market story over 6 years is the high number of people defined as jobless (people who are either officially unemployed, available but not seeking work or actively seeking but not available for work). What this means is a large group of people not actively looking for work and opting out at a time that unemployment shows signs of dropping.

Median weekly earnings indicator

Wages have not risen sufficiently to cope with what has been a relentless increase to private rents in many parts of the country. The median weekly earnings have increased by \$82.00 (15.2%) over six years [Statistics New Zealand 2009 and 2015]. When this is considered against the percentage rise in lower quartile private rents (see Housing above), wages have not risen sufficiently to cope with what has been a huge increase of private rents in many parts of the country.

Unemployment rate by ethnicity

	Dec 2009	Dec 2015	
European	4.6	4.1	-11%
Maori	15.4	10.6	-31%
Pacific	14.0	9.7	-31%

Adult minimum wage rates (AMWR)

Dept of Labour/MBIE/Employment at RIS/Salvation Army State of the Nation

	Dec 2009	Dec 2015	
Hourly rate	\$12.50	\$14.75	+18%
Workers receiving AMWR	70,000	115,000	+64%

The new AMWR rate for 2016 is \$15.25 from 1 April 2016 (up 50 cents). The starting out and training hourly minimum wage rates increase to \$12.20 per hour (up from \$11.80) from 1 April].

Youth Not in Education, Employment, or Training (NEET) by ethnicity (15–24 years)

	Sep 2009	Sep 2015	
European			
Male	10.2	8.4	-18%
Female	12.2	9.3	-24%
Total	11.2	8.8	-21%
Maori			
Male	19.7	16.9	-14%
Female	28.5	21.5	-25%
Total	24.2	19.2	-21%
Pacific			
Male	17.5	13.1	-25%
Female	21.8	18.6	-15%
Total	19.7	15.9	-19%

Key pressure points in communities, year by year

2009

The early *Vulnerability Report* (VR) series captured the impact of job losses and reduced working hours on communities as the 2008 Global Financial Crisis (GFC) caught up with New Zealand. A demand for food parcels and meals was the first noticeable impact on local communities as household budgets were reduced and people struggled to pay for household essentials. Many agencies reported requests for food parcels and

The big picture – 2009

Global Financial Crisis (GFC):

- falling business and consumer confidence
- a reduction in manufacturing, construction, and wholesale and retail trade
- a drop in investment and decline for services and goods exports
- a decline in tourism
- High food prices

Source: [The Economy of New Zealand: Overview. The Treasury, 2010](#)

In communities, the result was job losses, reduced hours of work, loss of confidence in job seeking, and families and single people struggling to pay for essential basic needs.

meals doubled, and early VR reports depicted what was a real sense of crisis experienced by agencies as they struggled to respond to this sudden increase in demand.

In 2009 the Community Response Fund (CRF) was introduced as an official acknowledgement of the impact of the GFC on demand for community-based social services ([MSD](#)).

By the close of 2009 and the first year of the VR series, economists had declared the ‘[technical recession over](#)’. The official data pointed to a “slight decrease (1%) in number of people receiving unemployment benefit in October (59,955) compared with September (60,600) and this was seen by economists as a turning point for the economy. Feedback from across our membership, however, provided little support for this optimism.

“Emergency accommodation in Managere has remained high. There is increasing demand for housing advocacy. Social workers seeing more low income families whose employment hours have been reduced or who cover the cost of private rental but are unable to get help from HNZC because they are not assessed as high priority”.

Monte Cecelia Housing Trust

In June the *Suzanne Aubert Compassion Centre* (Soup Kitchen) in Wellington reported a significant increase over the last several months in the level of demand for their community meals. For evening meals numbers are the highest recorded over the last 30 years.

“It’s no longer just low income and beneficiaries [approaching the foodbank], but also middle income people out of jobs, who are struggling with mortgages.” *Tauranga Foodbank Trust*

“Families that have usually managed well now require help. In the last quarter of this year [to June] 7000 families sought assistance from us, 5000 of those families we had not seen before.” *Salvation Army*

“As we work with clients to resolve the underlying problems causing poverty, our services such as budgeting, counselling, emergency accommodation and addiction services all experienced sharp rises in demand.” *Salvation Army*

2010

Reports from member agencies throughout 2010 captured the strain on services as they worked at full capacity to respond to the needs of people in their communities. The ability of people in low income households to cope with high price increases for basics (food, power, petrol and housing) remained a deep concern to members, and for the first time member agencies reported the introduction of waiting lists and geographical boundaries to manage increased volumes.

In the same year Future Focus was introduced to reform the welfare system. The package of reforms intended to make specific changes to the rules, obligations and incentives provided to people receiving a benefit payment. Underpinning these changes was a decision to break the “cycle of welfare dependency” and a view that people are ‘better off’ in paid work regardless of personal circumstances. The Future Focus package obligations was introduced over subsequent years, and on the basis that employment opportunities increase.

Housing

“People are getting so desperate for accommodation that the community housing trust is having to look at lower quality housing than in the past – because there is no alternative”.

CEO, Community of Refuge Trust

The big picture – 2010

September 2010 Future Focus Package announced

- Part-time (15 hours) work tests for Domestic Purposes Benefit-Sole, for Parent clients with children aged six years and over;
- Unemployment Benefit recipients need to reapply after 12 months, and undergo comprehensive work assessment;
- Graduated sanctions if obligations are not met;
- More frequent medical assessments for Sickness Benefit
- Youth training requirements
- Welfare Working Group to advise on ways to reduce long-term welfare dependency

Other developments that year

- The Community Response Funding continues for 2 more years
- Introduction of new criteria for hardship grants as part of Future Focus package
- New criteria for hardship grants to encourage people to spend wisely when seeking extra help. Repeat applicants for one-off hardship payments will need to show how they are managing their money.

Food

“Downtown Community Ministries in Wellington has distributed 30% more food parcels in the quarter ending June 2010 than in the same quarter of 2009. They are reporting that many of the people who come to the DCM foodbank have reached the guideline limits for food Special Needs Grants from Work and Income. These limits range from \$200 every 6 months for a single person to \$550 for a family with 3 children. Once this entitlement is exhausted, unless there are exceptional circumstances, people have few options but to use the foodbank”.

Impact on services

“In an effort to respond ... we have had to reintroduce geographical boundaries for referrals and now only accept external referrals from agencies operating in the area close to our foodbank (Central Auckland).”

Family Works, Presbyterian Support Northern

2011

A 6.3 on the richter scale earthquake in Christchurch on February 2011 caused infrastructural damage and significant loss of life. The impact was widespread and has had long lasting affect on the very fabric of local Christchurch communities, along with the national economy.

“The recovery has been deferred.” The NZIER tell us there is likely to be little economic growth in 2011 because of “underlying weakness in the economy... compounded by a synchronised spike in food and fuel prices [and the] devastating earthquake in Canterbury.” At the time of writing, inflation was still predicted to “peak at 4.6% in March 2011.”

For Christchurch members there were both personal and work challenges to manage while responding to the distress and basic needs of people in their local community. As part of the 2012 VR series, a special report on Christchurch was compiled.

Towards the end of 2011 there were signs net employment had started to grow again but agencies reported an entrenched reliance on food banks to help meet basic needs. High food prices continued and this was stretching family's already tight budgets.

The need for emergency housing services also continued throughout 2011. Members consistently reported on limited housing options available for families on low incomes. Overcrowding and living in garages are now common stories captured in reports.

In Christchurch thousands of homes, including state houses, were damaged in the earthquake. This along with increased competition for low-end rental accommodation created unprecedented rise in rents, and demand for emergency housing in the city.

Reports from our member agencies started to shed some light on the impact of the new criteria for hardship grants, particularly for people who already struggle with mental health or other health problems. For those seeking help, this change added another hoop to jump to receive food assistance. This policy change stretched the capacity of services to provide advice. Stories also captured the experience of a group of children growing up without the security of food in the cupboards and going to school without breakfast or lunch.

Throughout these stories there has been a consistent message about not enough money to buy food and the stark choices that people must make.

Food

“It is deeply disappointing to see so many people in such great need. Not since the 90s have we seen this level of reliance on our foodbank”

Downtown Community Ministry

“Numbers receiving the Hamilton's Catholic Cathedral Centre Tuesday lunch have increased by 16% (175) in the last year. Most are Maori, and around 50% are long term attendees. The regulars tend to be on unemployment benefits, have mental health problems or are sick in some other way. Some have part time work; others are recently discharged from prison. The regulars tend to help out with the meal and it provides a way for them to get together with their friends”

Budget advice

“The Salvation Army's Waikato budgeting services has been stretched to the limit and the waiting time has become extremely difficult to manage. Often help cannot be given straight away because resources are stretched. Salvation Army is trying to train and accredit more budget advisors to meet the demand”.

Social welfare reforms

“Schools report they are noticing that policy changes within Work and Income are having a direct impact on the children and families attending their schools. More children are either not attending school or coming to school hungry / angry / unsettled and displaying disruptive behaviours ...”

Family Works, Presbyterian Support Northern

Housing

“The shortage of housing stock means that we cannot meet emergency housing needs in our community. There were 34+ referrals in the last month we had to refer on elsewhere. There is a real lack of appropriate and affordable housing in West Auckland and many families are struggling. We have heard of many situations where there is over-crowding and families living in garages, with increased health risks especially in winter” *VisonWest*

Capacity issues

“Capacity is an issue – with less funding to provide services we tend to borrow from other parts of the services ... e.g. counselling will drop. This does not necessarily mean a drop off in demand; we ... have to make decisions about which programmes to drop off in spite of whether they have good outcomes (e.g. a post natal depression therapy programme) because we can't free up staff to run the programme”

ACROSS Te Kotahitanga O Te Wairua

“We are turning away more families than we can deal with [for social work]. In July we took on 4 new client families and turned away 26 families. These families were referred to other agencies but other agencies are having the same capacity issues we have. We ... prioritise on the basis of the child protection concerns.”

Family Works, Presbyterian Support East Coast

Policy impact on services

“The number of referrals for family support and counselling has dropped ... because we have taken more referrals from Child, Youth and Family in cases where they are not able to provide direct social work support themselves. There is also an increase for respite care for children particularly with behavioural and/ or disability support needs”.

ACROSS – Te Kohitanga O Te Wairua

“This year we have had an increase of referrals from Work and Income due to policy change around Hardship and Advance Payment entitlements. This has meant a significant increase to client sessions and a waiting time of up to two weeks for client appointments. In addition to benefit changes, we have seen clients that have been made redundant or had hours cut back in their jobs. This has contributed to a considerable rate of voluntary and or forced insolvency. There is high competition for part or full time employment in our local area, which can be very distressing for those seeking work”

Vision West Auckland

“The Salvation Army's Waikato Budgeting Service has been stretched to the limit and the waiting time has become “extremely difficult to manage”

Salvation Army Community Ministries Hamilton

Christchurch Earthquake

“The City Mission staff is wonderful and I am so proud of the way they have functioned since the quakes. Some of us have lost homes and are dealing with insurance companies, councils, the loss of neighbourhoods that we have known, traffic difficulties, increases in rent if we are lucky enough to find accommodation, stress and general insecurity about the future. Clients are telling increasingly harrowing stories and taking more time with staff. At times staff are also feeling powerless as they have to listen to stories that seemingly have no resolution. While feeling somewhat hopeless themselves they have to instil hope in their clients and show the love of Christ in those they meet. We have had very little staff turnover and almost none that is directly earthquake-related, but I am worried about the future.” *Christchurch City Mission*

2012

Official data indicated that since 2010, when new requirements were introduced under Future Focus, special needs grants for food reduced by 40% (60,887) and advances for power fell by 30% (4,196) [VR issue 14], and yet 2012 picks up on the beginning of a new paradox: community social services report an increase in demand for food and other assistance.

The need in communities for affordable housing remained unabated. Housing New Zealand homes were more tightly targeted and created a drop in the waiting list data (As at 2 July 2012 there were 4,276 people a decrease of 52% from the previous year). At the same time members report on an increase of people not eligible for a state house but unable to find an affordable home of any standard. In many regions finding emergency accommodation is like finding a needle in a haystack.

Added to this pressure was a new focus on housing families and single people is captured, along with stress on people living in Wellington City Council housing when planned refurbishments began

By end of the 2012 VR series there were signs of an improving economic situation. However the improvement was unevenly distributed across the county; a theme captured throughout the remaining VR series. In some regions member agencies reported food parcels and budget services had begun to stabilise, although the levels remained higher than prior to the recession. The demand for social work services continued.

Food

“From September 2010, to September 2011, the number of food parcels delivered has increased by 49%. In September 2011, there were 327 more adults (13 years and over) and 215 more children accessing the foodbank than at the same time last year.”

Hamilton Combined Christian Foodbank

Housing

“Housing NZ has shifted its focus ... from helping single people towards accommodating families, ... Wellington City Council ... is refurbishing hundreds of its flats, leaving few available right now; ... [that means] turning to private landlords – ‘less than desirable’ or boarding houses and that’s becoming more difficult because they want passports [as ID], which our people don’t have.”

Suzanne Aubert Compassion Centre

The big picture – 2012

Housing New Zealand introduced a 0800 number to contact number along with new procedures to get onto a state housing waiting list (now call a register). This procedure involves a pre-assessments for suitability carried out by a call centre. Those who make it through this process, must then have a ‘full needs assessment’, requiring the supply of a raft of ‘official documentation - passports or birth certificates, Work and Income payment certificates, proof of current rent or board payments, information relating to expenses such as power, food and phone, bank statements, copies of loan or hire purchase.

August

A new youth package came into force requiring 16 and 17 year olds needing benefits to work with a youth service provider, have their finances managed, and be engaged in education or training.

Failure to meet all the requirements results in the payment being stopped. A similar approach is being

applied to 16–18 year old parents who must enrol their child with a medical provider, send them to an early childhood education program while the parent is in training, and ensure all, early childhood medical checks, vaccinations occur.

October

- People on the Domestic Purposes Benefit and partners of people on Unemployment, Sickness, Emergency and Invalid’s benefit whose youngest child is aged between five and 13 years have been expected to be available for part-time work, and accept any offers of suitable work. If their youngest child is aged 14 or older or they don’t have any children, they are expected to be available for full-time work, and accept any suitable offers.
- If a person on a benefit has another child after 15 October 2012, once that child turns one year old, their work obligations are based on the age of their next youngest child.

Social Welfare Reforms

“Pressure on the whānau with having the appropriate paper work from a budgeter as to obtaining their entitlements which is leaving whānau tired and whakamā in having to face WINZ and the Social Worker In Schools supporting the whānau in advocating on their behalf.”

Family Works, Presbyterian Support Northern

“The recession is still having effects for the unemployed beneficiaries, and the low paid. The change to Work and Income eligibility for Special Needs Grants has contributed to this increase. We find that people are presenting in greater financial distress, in deeper debt and this is causing Salvation budgeting staff to work on more complex cases for a longer period of time” *Salvation Army*

“We have noticed an increase in people presenting saying their benefit has been cut and they need food support until they can get the benefit re-established. This has mainly been with sickness beneficiaries. We do notice that some of our clients ... face such difficulties in their everyday living that each day is one that is conquered, and often things needing attention just get left, then they miss deadlines such as reporting with another medical certificate.”

Salvation Army

Low wage economy

“Permanent 40+ hours required by most are not available in our current economic climate. Lower skilled jobs are generally part-time, casual based work, at the minimum hourly rate. This does not offer the security families need ... they still fall very short of meeting ‘Basic Living Costs.’” *Vision West*

Budgeting advice

“Policy changes with work and income which require a person to see budgeting advisors after three claims for the Hardship Grants have been a large contributing factor to the increase in demand for Budgeting Services. Reductions from ACC have also resulted in an increased demand on budgeting advice / advocacy”. *Vision West*

Impact on services

“Like many NGOs, we are struggling financially at the moment and we have to downsize ... We will disestablish one full-time counselling position. Interim cost saving measures include closing a drop-in centre and ceasing a Thursday afternoon counselling session”. *Anonymous*

Funding

“We have been providing free support and services to people on benefits for well over 15 years. Over the past 12 months those seeking support and advocacy from the service have increased by between 40–50%. Unfortunately funding for the service has reduced significantly to the point where we run out of money by the end of March” *Anonymous*

“It is getting more difficult to obtain funding from our traditional funding sources as with the recession more NGOs are applying for the same funding”.

Anonymous

“We are finding that funding is very contestable (which on its own is not a bad thing), but funding is in ‘silos’ (e.g. mental health / family violence) which underestimates the capability of agencies to provide services from one location, particularly those who have staff to do that – we would therefore favour integrated services”. *Anonymous*

2013

Stories of food insecurity continued but by 2013 this demand for food parcels and meals was no longer a one off or for a short (difficult) period of time, but more often sought on a regular basis. Insufficient household income to pay for everyday expenses, particularly when unexpected or additional costs arose (school resources/activities/car registration/repairs, medical bill) was the main reason given for food assistance. Feedback indicated this need extended to households in paid work, along with households dependant on benefits.

The affordable housing shortage exploded around this time and reports captured the sense of despair from our member agencies trying to support families into decent and safe accommodation. There is now a real sense of crisis at the community level.

Reports for members continue to give light to the impact of future focus on people in need. New requirements for medical certificates and specialist reports, along with the need to formally re-apply every year for a benefit payment, causes confusion about what is needed as people front up with medical certificates but don't formally re-apply for benefits. The need for advocacy to support people understand benefit obligations and entitlements is an emerging trend.

Overall, member reports indicate that the new obligations under Future Focus may have created an environment that is just too hard for some, particularly those more vulnerable members of communities (often people with low skills, low literacy, socially isolated, and health issues) to understand and navigate alone.

Finally reports picked up on a disconnect between the number of people registered as unemployed and the number of people receiving an unemployment benefit at a time when the capacity of member agencies remained stretched [VR issue 15, 2013].

Food

“Although community services are all experiencing steady rises, many of the people being helped are accessing services on an ongoing basis”. *Vision West*

“We have an increasing number of people accessing our services who are in employment but struggling to make ends meet. They say things have got tougher and they are not managing to meet their costs each month so constantly in a deficit. The first costs to go are food – our clients say they make do and ensure the children are fed before the adults, however we know this is not a good solution”. *Salvation Army*

Housing

“Every day there are people coming to our door in critical need of emergency housing that cannot have their needs met. The issue is that our short term/ emergency housing is designed as a temporary hold for families while getting into a HNZN house. This has been almost impossible to achieve since the change to o800 service have meant there is nowhere for these families to move and provide beds for the next on the list so the situation had forced people back onto streets/cars and overcrowding with no solution. It is our hidden problem”. *Vision West*

The big picture – 2013

The government introduced some new obligations called social obligations. Parents or caregivers with dependent children receiving a benefit will be required to ‘take reasonable steps’ (term not defined) to make sure their children are:

- Enrolled in and attending an approved early childhood education programme from the age of three, until they start school;
- Enrolled in and attending school, starting from age five or six years;
- Enrolled with a GP or with a medical centre that belongs to a Primary health organisation – Up to date with core Well Child/Tamariki Ora checks until they turn five years old.

All previous categories of benefits will replace by three new categories:

- Jobseeker Support for those actively seeking and available for Work
- Sole Parent Support for sole parents with children under 14 Years
- Supported Living Payment for people significantly restricted by sickness, injury or disability.

Funding

“We have maintained our budgeting services through the help of Community Response Funding and now this has come to an end, have to look seriously at what we can do to help us go forward to maintain our services. This is an area of priority for us.”

Salvation Army

Complex issues

“Families present with very complex issues that are multi-dimensional and across generations. Grandparents are often as poorly off as young families Our Social Workers in Schools continues to work well. Having well qualified and experienced staff also benefits our service delivery and results”.

Family Works, Presbyterian Support East Coast

Default option

“Christian Social Service agencies are becoming the default option to provide basic levels of support to people who cannot get any other help. This high level demand has drained the resources of our members who are struggling to keep up with demand. We need a more responsive benefit system so families can live in dignity and support their children”

Trevor McGlinchey, NZCCSS

Health

“People are not going to their GPs because they cannot afford to or they have outstanding bills which keeps them from going. Also people cannot afford the cost of prescriptions”. *Salvation Army*

Social Welfare reforms

“This punitive approach is punishing the most vulnerable people and the withdrawal of benefits simply shifts the responsibility for looking after them to organisations such as the City Mission”.

Wellington City Mission

“We have heard stories of people being told that they should consider jobs that are quite inappropriate – eg an evening job for a woman with young children, or a job where travel is required out of town to get to work”. *Catholic Family Support Services Hamilton*

Precarious employment

“Clients reporting real pressure to take work, but this results in fluctuating income which affects their benefits, (e.g. benefits get cut off but then not reinstated). Those with poor literacy are particularly disadvantaged; more advocacy is then required for clients, which is time demanding of the service”.

Family Works, Presbyterian Support Northern

Low wage economy

“Those who have to rely on benefits have fallen into genuine financial hardship, with arrears and debts spiralling out of control. Having a budget and spending plan is ideal but most clients we see have an average weekly deficit of \$120 per week, this is why they seek assistance” *Vision West*

Housing

“Working low income families are increasingly unable to afford private rental accommodation. There are more extreme cases of homelessness and an acceptance that extreme overcrowding is no longer unusual – 21 people from 3 family units sharing a 3 bed house, parents and children sleeping overnight in cars.” *Monte Cecilia Housing Trust*

“Housing New Zealand isn’t building anymore, council isn’t building anymore, but the need is increasing. Where does that lead?”

Wellington Night Shelter

“What’s been really desperate for our staff is that often you’ve got to refer people to housing that you really know is not the best, but it’s the only place that you can put them” *Salvation Army*

“Housing in South Auckland still remains a huge concern for many families. With the new policies and processes that were introduced by Housing New Zealand Corporation in April 2012, it has made it extremely difficult to access a HNZN home today. Private rental seems to be the solution for families in need, however a large proportion of the families that I am currently working alongside have poor or bad credit resulting in being declined from many rentals. Overcrowding or low standard accommodation seem to be on the rise as families make the most of their situation.

Family Works, Presbyterian Support Northern

Debt

“The majority of clients seen (88%) had issues with debt, of these 40.9% had debts to WINZ, a marked increase on the previous year where only 23% of clients had debt to WINZ. Total debt for these 1,014 clients was a staggering \$28.7 million. 45% of this related to mortgages; 22.2% to finance company loans and 15.6% to bank loans. These are very similar to last year’s percentages”

Family Works, Presbyterian Support Northern

2014

2014 brings little respite to the experiences of member agencies working alongside individuals/families in genuine hardship and who on a daily basis make difficult choices about what necessities can be bought, and what needs to be traded-off. As has been the pattern throughout the VR series, food is primarily what goes when rent and power bills come in. Feedback captured increased hardship among families (both in and out of work), struggling to afford basic necessities, the lengths families go to to secure food, and the pressure this places on their relationships.

The experience of single carers (mostly mothers) and new work obligations also began to filter through into members' stories. A consistent theme was that 'getting into work' was not necessarily the panacea for all single carers with dependants. Situations vary and for some single carers, particularly for those struggling with complex needs, new work obligations may exacerbate family stress, leading to more hardship and not less.

There is a sense of hopelessness and desperation for those not eligible for a state house and who see private sector housing as genuinely 'out of their league', leaving

The big picture – 2014

The Social Housing Reform Program is introduced for the purpose of increasing the availability of quality and affordable housing to New Zealanders in need. The key objectives of the program are:

- Ensure social housing is the right design and size, and in the right place for people who need it
- Increase affordable housing supply

The program includes assessing tenants for eligibility and moving tenants able to pay into private sector housing.

them with few dignified, clean and safe housing options. For this group no available emergency housing means families sleeping in caravans, garages, cars and unsafe boarding houses. Vulnerable youth are also captured in report with services reporting an increasing number of homeless youth sleeping rough, couch surfing and staying in unsafe situations.

Finally as part of the 2014 VR series, NZCCSS considered how older people (65+) were faring in communities and found that a group of vulnerable older people struggling to afford their basic needs, particularly those who do not own their own homes [issue 19, 2014]

Older people

"Our managers are fielding regular enquiries from vulnerable elderly people in Christchurch who have been told they will need to find alternative accommodation while their house is repaired."

Anglican Living

"All living costs have risen and is now harder to make ends meet if Super is the only source of income. 80% have had to budget for their basic needs – some choosing to go without heating."

Christchurch City Mission

Debt

"Clients seem to have greater distress with bigger budget deficits and relying on payday lenders. We are seeing more clients from working families and youth."

Salvation Army

Food

"People still need help despite the news that the financial resource of our communities are stabilising or looking better. Any unexpected cost forces people to seek help, despite the best budgeting skills. Demand on families for money for school activities, faced with back to school costs such as school costs books and uniforms places pressure on an already stretched budget. Then add to that a power bill higher than expected, medical costs or car repair not expected and often the only way to manage that is to seek help for food"

Salvation Army

Health

"Adults may prioritise treatment for children and not seek treatment for themselves. The barriers are transport/cost/education / information about services".

Monte Cecilia Housing Trust

"We had one client who had tried to extract their tooth themselves as they could not afford to go to the dentist."

Catholic Social Services

Precarious employment

"Parents are going to work however some jobs/roles do not guarantee regular hours, meaning that the family may not receive a regular income."

Monte Cecilia Housing Trust

“The barriers to work for some are insurmountable particularly those solo parents with few skills who are often worse off in low paid jobs where the cost of travel, suitable clothes and childcare outweigh the benefit of paid work when they have the added worry of childcare in school holidays and when child is sick.” *Family Works, Presbyterian Support Northern*

Social Welfare reforms

“We have seen an increased requirement for clients to be seeking work, even when this is not really a suitable option for them (i.e mental health etc). We’ve also see Financial impact of needing to fund transport to attend training etc, having flow on negative consequences. Clients having WINZ payments suspended, affecting their ability to pay rent, leading to homelessness.”
Family Works, Presbyterian Support Northern

Housing

“People speak of being charged rents that they cannot afford and of having to stay in sub-standard homes as they can’t find good, affordable housing. People are desperate and are sleeping in cars or in overcrowded conditions. They often do not have the energy or mental capacity to bring about good changes”. *Christchurch City Mission*

Member reports now describe in some detail the reality of Future Focus policies on vulnerable communities. While the policy intent is to *empower* people into work, the reality of new obligation and requirements is that people already vulnerable to hardship must now jump hurdles even higher, leaving them *disempowered*, feeling more stressed and socially isolated.

The data made available to NZCCSS in 2015 gave an insight into the magnitude of financial sanctions issued by Work and Income offices. A total of 80,202 were applied to working age main benefit recipients during a fourteen month period (July 2013 to September 2014): Job seekers (60,255), sole parents (19,551), supported living (33) and other (363). The official data identified not attending an arranged appointment as the main reason for the first sanction. If we look at the total impact on children, a total of 27,778 children were in households that received a reduction to their benefit (graduated/suspended or cancelled).

Member agencies reports offered a glimpse into why people already in hardship risked further hardship by not attending arranged appointments with Work and Income, which was the primary reason for the first sanction identified by official data.

Barriers identified covered: child care responsibilities ie the appointment is close the end of the school day and it's difficult to pick up the kids on time from school, during the school holiday and there is no back up child care available. A lack of transport (no car or can't afford bus fare), no permanent address to receive written notifications, no internet access or intermittent cell phone usage because of cost. Members also captured a story about people with mental health and addictions not well enough to attend appointments without an

advocate, and others who simply too intimidated to open letters received from Work and Income.

In 2015 economists talked up a rock star economy. Our members continued to talk about the struggle to afford basics necessities, the unexpected costs associated with children, and the ease at which budgets are blown. Food insecurity remained visible in communities throughout 2015 and for some families this 'desperate' situation was the 'norm', and often not identified as a primary issue until other problems are raised with social workers. There is no change to stories about food costs being the last cost after paying debts, electricity bills and other non-discretionary payments.

Food

"A real shortfall for essential needs is prevalent. When we receive a client referral from Work & Income it is generally because the client has no more advances to be considered. Additional payments such as accommodation, medical or disability and temporary additional support supplements do not reflect the actual basic living costs such as rent, power, water, food, health care and schooling costs." *VisionWest*

Health

"Dental treatment unaffordable for many clients and their children who may need specialist care/braces etc. Not considered a major priority when the weekly income barely covers the basic needs of the family. In cases of dental emergency people queue up at Green Lane Dental Hospital from 5am and will return every morning until they are granted an appointment".

Family Works, Presbyterian Support Northern

Social welfare Reforms

"Most coming to our attention have no qualifications, can only get low paid work at unsocial hours eg cleaning, have no family support to look after children; therefore have no quality time with children after school or children are unsupervised after school, or do not get to school at all".

Christchurch Methodist Mission

Precarious employment

"Budgeting with beneficiaries who work part time has highlighted some challenges: Income can't be accurately predicted and varies from week to week. Jobs are usually part time and weekly hours (and therefore income from work) varies and can't be relied on. A biggie is the delay with benefit adjustments when the two-weekly cycles don't mesh – low income folk have to live from week to week and don't have a "buffer fund" in the bank to tide them over tight weeks. With such tight and unpredictable income, good budgeting – which involves setting aside money each week for predictable future expenses – is almost impossible".

Christchurch Methodist Mission

Advocacy

“More advocacy needed at WINZ / IRD on behalf of clients who often have no access to phones. Financial issues are far more complex / creditors more demanding. Clients talk of needing medical attention for their unmanageable stress and depression, self harming. Children needing counselling because of tension in homes when parents unable to cope.”

Family Works, Presbyterian Support Northern

Low wage

“We have more couples on low wages – less money to make ends meet. Loan “sharks” charging exorbitant interest up to 39.5%. Increasing number of clients where basic needs are not met by income available. Increasing number of Kiwisaver withdrawals”.

Salvation Army

Housing

“Housing insecurity and overcrowded housing is no longer a problem confined to Auckland and Christchurch... Many of the Army’s social service centres across the country are now reporting an increasing number multiple families in one dwelling and some families living in cars. The problem is seen in towns and cities as diverse as Hamilton and Greymouth”. *Salvation Army*

“Housing has seen an increase in women and children who have been in refuges for a long period of time, staying longer than intended but having nowhere to go enquiring about the availability of emergency and long term housing. We have also seen an increase in enquiries about emergency and long term housing for single people of all ages from hospitals, health professionals and community agencies.” *VisionWest*

“Some people are finding it more difficult to fit the criteria that allows them onto the list to access social housing. We have one example of a women with children being taken off the social housing list because she turned down a house in the same street as her ex-partner who was violent in their relationship. They are getting discouraged and not even applying for social housing because they know the list is to long and the criteria too restrictive”

Salvation Army

“Our clients are not interested in affordable housing. They see that as out of their league and for the rich. They will never afford to own their own homes and may not even want to do so but they do need housing. They are interested in social housing and there is very little around” *Christchurch City Mission*

Health

“We have clients who find it difficult to see GPs for every-day complaints and the early onset of sickness. Appointments are not made because of costs of consultation for older children particularly or because there is an outstanding bill with GP surgery. Some surgeries will not make appointments unless payment is made on the day”.

Christchurch Methodist Mission

2016

2016 and the pressures in communities remain: food insecurity, unaffordable and poor quality rental properties, and family stress impacting on children. Our members report on the intergenerational nature of these impacts and the increasing complexity of family needs. While government requirements for collecting data, reporting outcomes, and providing high quality services continue to increase, members report high demand for supports and services without additional funding. How this work will be sustained without funding concerns being addressed will be a significant challenge going forward. What will remain however is the steadfast commitment of members to respond to their Christian Mission to show love, hope and compassion and to empower people to make positive change to their lives.

Food

“The client base has changed to reflect families with more needs and more concerns over their abilities to place their children’s needs first as they struggle to meet the basic necessities of life such as good housing, warmth and food. This also impacts time involved as we need to be involved longer therefore slowing down assistance to other families waiting”.
Family Works, Presbyterian Support Southland

“Basic human needs such as food, warmth and shelter feature in the majority of families with complex needs. This has been exacerbated in Dunedin this year with our poorest community South Dunedin experiencing a major flood, and the uncovering of sub-standard housing and living conditions for our most vulnerable clients including the elderly”.
Family Works, Presbyterian Support Otago

“Demand for our foodbank has continued to increase over the past 12 months – we are seeing more families who are in employment seeking support from our foodbank.” *Family Works, Presbyterian Support South Canterbury*

“Families live from pay cheque to pay cheque.”
Wellington City Mission

“We are seeing more working poor.”
Wellington City Mission

Health

“Dental care is a high need for the homeless population who don’t have the type of money required to access the service. Costs are incredibly high and their dental needs are usually complex. One-off free dental days can be helpful but many require ongoing treatment to maintain good health (as do all people) and this is not financially viable for beneficiaries.” *Wellington City Mission*

Housing

“We are increasingly as an organisation having to house younger people, families and individuals on a temporary basis with the cost being met by our organisation. Clients without good references for housing are struggling to find adequate housing and we are constantly seeking landlords with a social conscience...”
Family Works, Presbyterian Support Otago

“We continue to advocate for housing and work with landlords or agencies re suitable accommodation. It is highly noticeable this year with severe frost and workers are visiting homes are observing families’ inability to heat homes.... We are supplying more bedding/clothing, and have a significant increase in food parcels to families.”
Family Works, Presbyterian Support South Canterbury

“An increase in the amount of young people out on the streets, experiencing homelessness with people as young as 15 years old joining the street community and begging.” *Wellington City Mission*

“Families are sleeping all together in one room or children are spending time in beds with electric blankets to keep warm, families were multiple clothing layers, hats, coats etc inside and to sleep. Washing is difficult to manage it is too cold and no easy method of drying or airing”.
Family Works, Presbyterian Support South Canterbury

“Waiting lists for social housing are within a month or two for those requiring emergency accommodation ie. Those experiencing homelessness. For those not in suitable housing due to overcrowding, disabilities, health concerns etc, can be waiting anything from 6 months to years for such properties to become available.” *Wellington City Mission*

“As Dunedin is a university city, housing rents are higher than other centres. Our accommodation supplement rate does not reflect this. Houses are often rented at a per room rate rather than as a whole house, which means for families, a lot of good housing ends up being out of their reach, forcing them into substandard housing in other parts of the city”. *Family Works, Presbyterian Support Otago*

Complex services

“Most referrals to our services are now high needs and complex and also often what we would deem as at risk. It is extremely concerning that we will be able to give them the full range of services and supports that they require while they are on a wait list”.

Family Works, Presbyterian Support Southland

“Almost all services have had a significant increase in client referrals due to predominantly other local agencies restricting their criteria given their own financial situations. PSO at this point has not constrained criteria due to us continuing to honour the mission. However, this has meant that waiting lists have increased significantly as a result”.

Family Works, Presbyterian Support Otago

Intergenerational Issues

“We continue to see with our most vulnerable families the impact of “Intergenerational child/adult vulnerabilities”. This results when vulnerable children, grow to adulthood, however they remain highly vulnerable adults who are now attempting to parent equally vulnerable children...”

Family Works, Presbyterian Support South Canterbury

“Vulnerable youth in Dunedin resulting from poor educational outcomes/poor relationships within the school or family environment, coupled with intergenerational poverty has resulted in a substantial increase in referrals to our wrap around service. This has meant however working with a smaller group of young people in a more intensive way at present”.

Family Works, Presbyterian Support Otago

Social Welfare

“Information about entitlements/benefits is not always made available to people or not understood. The education part seems to have dropped off”.

Anonymous

“There is more stress on families particularly as parents try to obtain some kind of employment in an economy where there are few jobs. Also the cost of education is impacting on a family’s ability to be able to afford for their child to attend school or take a particular subject choice. Families were promised a rise in benefit but in fact most families have not seen this increase”.

Family Works, Presbyterian Support Otago

Debt

“We notice a number of families have a lot of debt, and that’s a build up from things they haven’t been able to pay for, stuff that’s gone to debt collectors, just managing their day to day costs and getting what they need. When you’re struggling week after week with things like that, the first thing that goes is food. That’s the one you can go without and they cut down on their basic needs”. *Salvation Army*

“Come, you who are blessed by my Father; take your inheritance, the kingdom prepared for you since the creation of the world. For I was hungry and you gave me something to eat, I was thirsty and you gave me something to drink, I was a stranger and you invited me in, I needed clothes and you clothed me, I was sick and you looked after me, I was in prison and you came to visit me.”

“Lord, when did we see you hungry and feed you, or thirsty and give you something to drink? When did we see you a stranger and invite you in, or needing clothes and clothe you? When did we see you sick or in prison and go to visit you?”

“Truly I tell you, whatever you did for one of the least of these brothers and sisters of mine, you did for me.” (Matthew 25:31–46)

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New Zealand Council of Christian Social Services is the umbrella organisation of the churches' social service agencies in Aotearoa. Our members are Anglican Care Network, Baptist Churches of Aotearoa New Zealand, Catholic Social Services, Presbyterian Support New Zealand, the Methodist Church and the Salvation Army.

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