

Visionwest – Budget 2023 Response

Introduction

Prior to the delivery of the 2023 Budget, delivered on May 18, the Government announced that there would be a focus on the flood recovery for regions hit by Cyclone Gabrielle. Over \$1 billion was allocated to the relief response, meaning those hit the hardest would receive timely support and a chance to recover from the catastrophic storms of early 2023. While these weather events have significantly impacted many communities across Aotearoa New Zealand, they arrived in an environment where many New Zealanders were already facing increasing burdens in their lives including housing instability, food insecurity, and financial hardship.

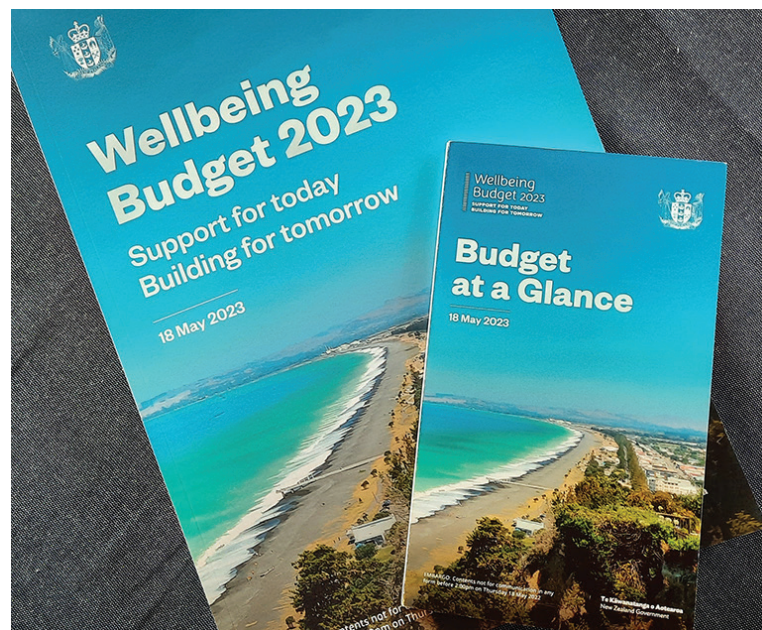
Recognising the landscape of continuing hardship many face today, it's timely to see several aspects within the Budget aimed at helping families and low-income households.

Five Cost of Living Supports

The combined effects of COVID, rapid cost-of-living rises, and now the catastrophic weather events have left many Kiwi families close to the poverty line with others having already toppled over it. A level of increased support has already been provided through benefits, government superannuation payments and student payments. While not announced on Budget Day, these payments will come out of this latest budget and so are considered a part of a package of support aimed at households facing increasing financial difficulty in the current climate. For many, the implementation of these announcements cannot come soon enough, as they continue to be challenged by cost of living pressures at levels unseen for decades.

In response to the need for families to find more dollars in their pockets for weekly essentials, the Government announced five other “helps to relieve cost of living pressures.” These are:

- **Cheaper Childcare.** From 1 March 2024, the 20 free hours of childcare offered in early childhood centres across Aotearoa New Zealand will be extended to include two-year old children. This will add up to a significant saving for families with children in childcare and, it's hoped, will bring parents back to the workforce both stimulating the economy and



increasing the income of those families. For many families this will equate to up to \$133 a week per child.

- **Free School Lunch Scheme.** Ka Ora, Ka Ako, helps reduce food insecurity for children and young people by providing free daily school lunches to appropriately 220,000 students at 987 schools throughout Aotearoa New Zealand. While not a new scheme, the Government has pledged to continue this until the end of 2024. A welcome announcement given one in

five children are living in food insecurity at home. The programme is estimated to save a family with two students, on average, \$60 per week, easing pressures on the household grocery bill, and increasing wellbeing for students at school.

- **Help with Health Costs.** The \$5 payment charged for prescriptions from chemists will be dropped making these free for everyone. Around 135,000 prescriptions go unfilled each year because people cannot afford the \$5 charge – remember, it's \$5 per prescription and some people have multiple medication needs at any one time. In a recent series of surveys of Visionwest housing tenants in Waitaha Canterbury and recipients of Visionwest's food service in Waitakere, a significant number of respondents stated that they would often forgo visits to the doctor or fail to collect medication prescribed to them because of the cost. It's expected that the dropping of the chemist's prescription charge will aid the health and wellbeing of many while also preventing illnesses that lead to hospitalisation.
- **Targeting Transport Costs.** Free public transport for children under 13 and permanent half-priced fares for under 25s will mean over 1.6 million New Zealanders are eligible for free or half-price public transport. It's also believed that this will have an effect on school attendance as a number of parents state the reason their children do not attend school is that they cannot afford bus fares. Free fares for children under 13 could see savings of \$30 a week for two-child families.
- **Cheaper Energy/Electricity Bills.** The Warmer Kiwi Homes programme will be expanded to provide a further 100,000 new heating and insulation installations. Also provided will be 7,500 hot-water heat pumps and 5 million LED light bulbs (spread over five years). A warm dry home will result in, not only greater comfort for home occupiers, but also improved health outcomes.

Other Social Support Announcements of Significance

A number of other helps relating to social supports are included in Budget 2023. While these do not necessarily put cash directly into the pockets of New Zealanders, they go some way to easing some of the issues affecting Kiwis today and will have a positive impact on the way Visionwest is able to provide wraparound support for whānau.

Housing

The need to address homelessness in Aotearoa New Zealand is critical and increasing in urgency daily. In the first quarter of 2023, Visionwest has fielded requests from 615 whānau who are experiencing homelessness right now. We believe everyone should have a safe, secure, and stable accommodation but for many that remains a dream. For that reason, we are pleased with the housing initiatives announced which include:

- Provision to fund 3,000 additional public housing places through Kāinga Ora and community housing providers (CHPs) such as Visionwest. The money provided for this will include the rent subsidy for those who qualify making more affordable housing available to those on low incomes.
- The release of funding will add at least another 80 rangatahi-focused youth transitional housing places by 2024, a critical step forward in the response to youth homelessness, but arguably not large enough for thousands of young people whose only option for shelter is in emergency accommodation.
- Funding will also extend the Local Innovation and Partnership Fund (LIPF) for programmes that aim to reduce homelessness. Visionwest's My Whare programme has been the recipient of LIPF funding in the past and it's great to see it being made available for new solutions to the housing crisis.

Visionwest welcomes the provision of additional housing places and looks forward to playing an active part in the ongoing commitment to address the issue of homelessness in Aotearoa New Zealand by supporting more youth, families, and seniors with safe, warm, and dry housing.

Community Connectors

Community Connectors are people who connect and advocate for those with a support need to ensure they are connected to the appropriate services. Visionwest currently has six Community Connectors plus two who are specifically focused on assisting people requiring flood relief support. The service they provide is essential, especially at a time when so many people in need of support are new to the social support system.

It was pleasing to see that the Budget has allocated funding to continue the critical role of the Community Connector service throughout Aotearoa New Zealand, but disappointing that the amount pledged may result in a cutback in the overall number of Community Connectors.

The role of Community Connector at Visionwest has enabled us to coordinate responsive social support and assistance with immediacy and timeliness, reducing the risk of whānau falling further into poverty. Additionally, the service has proven to be an essential support system to those whose lives were disrupted and devastated in recent floods and storms. Community Connectors are vital in that their role as advocates for whānau trying to navigate – often for the first time – multiple government agencies and social services to meet their presenting needs. By coaching and guiding whānau through government and social service supports, Kiwi households are able to receive the help they need faster. Any cutback to the team at Visionwest will have a noticeable effect on our ability to provide transformational support quickly and effectively.

Financial Hardship

\$29.188 million over four years has been allocated to fund Building Financial Capability supports and services – in other words, budgeting services. This will include a year of funding for Debt Solution Services.

Visionwest's Money Mentors service is one of Visionwest's fastest growing services, reflecting the significant rise in financial pressures on households in the West Auckland area. From 1,000 sessions delivered two years ago, it delivered 1,814 financial mentoring sessions in the last financial year. This has once again increased in this current year. Last financial year, our financial mentors managed to save \$228,200 of whānau debt – up from \$97,000 the previous year.

Historic debt, often for realistic and essential items, is crippling for many whānau. The ability for our financial mentors to continue to focus on debt reduction and financial literacy in the work they do with whānau will make a huge difference to the weekly finances of those whānau, assisting households to recover from circumstances that see them trapped in poverty.

Food Insecurity

The challenge faced by many Kiwis to put nutritional food on their tables each day is real and growing. The Government has recognised this in Budget 2023 by providing \$24.8 million over two years to go towards developing the social food supply infrastructure.

Having seen the unprecedented demand that has hit our food support service in recent years, Visionwest appreciates any additional funding the Government can provide to this critical service, especially in the aftermath of recent weather events. Currently our food service feeds between 400 and 450 households, up from 150 in 2019, a number that is three times what it was before COVID and the subsequent cost of living rises.

Preventing Family and Sexual Violence

Visionwest's Mātanga Oranga service provides specialised counselling help for whānau experiencing issues relating to trauma, often due to past family and sexual violence. Recognising the impact past trauma can have on whānau and the way it can prevent individuals from functioning well in community, Visionwest is pleased to note that the Budget has included a number of supports that are relevant to this work. These supports include:

- Supporting Māori to access kaupapa Māori specialist sexual violence services that provide a long-term, whānau-centred way of healing – \$8.603 million over three years.
- Continuing to provide specialist Child Advocates to children who have experienced family violence – \$5.997 million over four years.
- Supporting family and sexual violence providers to improve their accessibility to disabled people – \$3.419 million over two years.

Māori Training and Education

\$40 million has been set aside in this year's budget for Learning Support Coordination in kaupapa Māori and Māori schooling. This funding will provide resourcing for the Māori-led design and delivery of specialised plans to support the needs of ākonga Māori (Māori students) in partnership with whānau.

Visionwest has invested much time and effort in developing programmes aimed at educating and preparing rangatahi Māori for further education or employment and had significantly positive results.

A recent independently undertaken Good Measure Report examined the effectiveness of our Pae Aronui programme (now replaced by He Poutama Rangatahi). The report was glowing in its praise for the results achieved by the Visionwest and the Pae Aronui programme and concluded that, when rangatahi know their whakapapa and where they have come from,

they are more confident about who they want to be and more diligent in striving for it.

This shows the transformational outcomes that are possible through a kaupapa Māori programme for rangatahi Māori. Visionwest is, therefore, pleased that the Government has seen the value of, and is prepared to invest in, such life-transforming programmes.

Employment

Of note within the employment space in this year's Budget are:

- Employment programmes receive \$190.1 million with \$47.5 million to continue, pilot or expand programmes and services.
- \$238m for a training incentives allowance for sole parents.

From Visionwest's experience in the area of education and employment, we recognise the deep desire that many whānau have to find and excel within meaningful employment. A lack of foundational education or knowledge often prevents this and so, we applaud any efforts made to encourage and equip whānau experiencing unemployment to find work, especially those in social housing who are ready for the next step on their journey.

Pasifika Development

Due to Visionwest's significant reach into Pasifika communities we have recently appointed an executive staff member whose focus is on Pasifika development. A number of helps have been provided in Budget 2023 to support and develop the wellbeing of Pasifika and Māori people. Amongst a long list, these include:

- \$14.1m for Pasifika community resilience and wellbeing.
- \$20m to improve the health equity for Māori and Pasifika peoples.
- \$20mil to lift COVID-19 immunisations and screening coverage for Māori and Pasifika peoples.

The 2023 Weather Events

Visionwest has been hugely proactive in our response to the 27 January flooding event – especially in West Auckland – and the subsequent damage caused within our communities by Cyclone Gabrielle. We are pleased that Government has chosen to inject substantial capital funding into flood relief responses in Auckland and other parts of the North Island, notably Hawke’s Bay, and ask that the need faced by many West Aucklanders is not forgotten.

West Auckland was one of the heaviest hit urban areas during these weather events. Visionwest’s investment in flood response has included an investment in housing (as many whānau found their accommodation uninhabitable), provision of food, financial capability and counselling support, and the invaluable work undertaken by our team of Community Connectors.

By 15 February 2023 (during Cyclone Gabrielle and so not necessarily counting homes damaged by the Cyclone), in West Auckland’s Waitākere Ward, 826 assessments had been made of flood affected homes. Of these: 57 were red-stickered, 216 yellow-stickered, and 447 white-stickered. Local MP the Honourable Phil Twyford recently stated that there are still 263 households who experienced unresolved flooding damage and face the prospect of financial ruin.

We would want to ensure the extent of damage and the cost of repair is not forgotten and we welcome any funding for flood relief that may be earmarked for our West Auckland communities. We are also eager for Government and other organisations to remember that some aspects of flood relief, e.g., housing, counselling, and financial mentoring, may be long-term challenges and we need to be prepared to support whānau in every possible way.

Conclusion

The concerns for those facing hardship within our communities are many and varied. On a day-to-day basis, the teams that manage Visionwest’s support services hear stories of whānau, many of them in current employment, who are struggling with rising costs and decreasing income. This becomes a complex issue for individuals and communities as almost every aspect of living cost is affected. Adding to the challenge is that, in recent years, we have seen an increasing number of people who have never before accessed social support systems contacting our housing or food support service, or booking in for budgeting help from one of our financial mentors. The number of sessions delivered by our Wellbeing Centre and Mātanga Oranga have grown to the point of needing more counsellors. In short, the number of people requiring social supports in the communities we serve is increasing.

That is why we applaud anything the Government can do to reduce the immediate and longer-term effects of poverty.

Lisa Woolley, CEO of Visionwest Waka Whakakitenga, responded to the Budget saying, *“In the current times, we are continuing to reach out to those in our communities who are facing difficult times, many of whom are new to the challenges of financial insecurity. We are grateful for any initiatives that will bring some relief to the whānau we, and organisations like Visionwest, are supporting.*

“We support the steps taken in Budget 2023 to ease the burden on those who are facing increasing hardship and look forward to any ongoing steps we can participate in that lead to an increase in wellbeing, hope and transformation for whānau throughout Aotearoa New Zealand.”

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