

Submission on the

Discussion Paper 'Te Kore, Te Pō, Te Ao Marama | Energy Hardship – the challenges and a way forward.

Energy Hardship Panel EnergyHardshipMBIE@mbie.govt.nz

To:

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EXECUTIVE SUMMARY

Te Pūtahitanga o Te Waipounamu exists to support and nourish the aspirations of whānau in a meaningful and sustainable way. A Whānau Ora approach recognises that solutions for the wellbeing of whānau are most effective when led and guided by whānau, and that living in a warm, dry home leads to healthier outcomes.

We also acknowledge many whānau are facing energy hardship within New Zealand, and this paper looks to address inequities across a broad scope. We absolutely endorse the intentions behind the *Discussion Paper 'Te Kore, Te Pō, Te Ao Marama | Energy Hardship – the challenges and a way forward* and this submission seeks to reinforce those points we feel are important as identified by whānau.

Te Pūtahitanga o Te Waipounamu is committed to ensuring that better opportunities to address energy hardship are sought as noted in the Discussion Paper. Te Pūtahitanga o Te Waipounamu believes that a warm whare is a human right and is crucial to the health and wellbeing of households, and being unable to access affordable energy can cause serious harm.

While this submission provides some recommendations as supported by whānau voice, further comments from Te Pūtahitanga o Te Waipounamu (also informed by whānau voice), are noted in the submission form for responding to the *Discussion Paper released by the Energy Hardship Expert Panel <u>'Te Kore, Te Po, Te Ao Marama [Energy Hardship – the challenges and a way forward.</u>' This form submission is also submitted as a further commentary on behalf of Te Putahitanga o Te Waipounamu and contains greater detail in response to the information sought by the panel.*

The following is a summary of the recommendations that are contained within the body of this submission on the **Energy Hardship Expert Panel Discussion Paper**:

Recommendation 1: Te Pūtahitanga o Te Waipounamu recommends that the proposed strategy of mandatory rules for electricity retailers before they can disconnect households needs to be embedded in any changes.

Recommendation 2: Te Pūtahitanga o Te Waipounamu recommends that the proposed strategy for whānau experiencing energy hardship be given greater options to choose their provider be embedded in any changes.

Recommendation 3: Te Pūtahitanga o Te Waipounamu recommends that strategies around boosting energy literacy need to have a broad scope covering all methods of heating homes, including firewood.

INTRODUCTION

Te Pūtahitanga o Te Waipounamu welcomes the opportunity to comment on the **Energy Hardship Expert Panel Discussion Paper.**

Whānau Ora is based on the belief that a healthy whānau is not reliant on indicators of deprivation but is instead driven by a belief in their own inherent wealth. Whānau wellbeing is intimately tied to the concepts of caring – the application of manaakitanga, wairuatanga, and ukaipotanga.

Whānau Ora recognises the collective strength and capability of whānau to achieve better outcomes in areas such as health, education, housing, environment, employment and income levels. Our relationships encourage inter-dependence; we know that our strength comes through all of us taking up our roles and responsibilities to one another.

Whānau Ora Navigators support whānau to be self-determining and navigate whānau to champion their aspirations. Our Whānau Ora Navigators work with whānau to:

- Support them through crisis and link them to the appropriate services.
- Collaborate, broker services and advocate ensuring their needs are addressed in a holistic way.
- Help develop a step-by step plan to achieve their goals and aspirations.
- Identify and strengthen support networks.
- Reduce any risk of harm to whanau.
- Uplift mana and create opportunities for cultural connectedness.

The Whānau Ora approach is unique because it:

- Recognises a collective entity.
- Endorses a group capacity for self-determination.
- Has an inter-generational dynamic.
- Is built on a Māori cultural foundation.
- Asserts a positive role for whanau within society and,
- Can be applied across a wide range of social and economic sectors.

Te Pūtahitanga o Te Waipounamu is the Whānau Ora Commissioning Agency for the South Island. We work to respond to whānau innovation, to foster and grow inspirational ideas that are whānau-centred, intergenerational, locally driven, and provide direct impact for whānau to enable independent transformational change.

We represent a legal partnership of eight iwi of the Te Waipounamu: Ngāti Rārua; Ngāti Tama; Ngāti Kuia; Ngāti Koata, Rangitāne o Wairau, Ngāti Apa ki te Rā Tō; Ngāti Toa Rangatira, Te Ātiawa o Te Waka a Māui Ltd. This unique initiative is the first time ever, that the iwi has come together for a common cause to trailblaze a new model that reflects the aspirations of ngā iwi as they relate to whānau.

As our name suggests, we reflect the convergence of the rivers of Te Waipounamu, bringing sustenance to the people and reflecting the partnership's founding principle of whanaungatanga.

GENERAL COMMENTS

Te Pūtahitanga o Te Waipounamu welcomes the opportunity to provide insight and recommendations on the **Energy Hardship Expert Panel Discussion Paper** and applauds the scope of the paper, and the full range of proposed strategies. Te Pūtahitanga o Te Waipounamu has no strenuous objections to any material within this paper, but has in this submission, chosen to focus on strengthening the argument for certain aspects of the paper by using the whānau voice to re-emphasise the need for these adjustments.

The Discussion Paper discusses energy hardship within New Zealand as being "the inability of whānau to access and afford enough energy to meet the needs of all those living in a household." Te Pūtahitanga o Te Waipounamu agrees with this definition, and a review of our whānau voice shows energy hardship is being experienced within the communities we engage. The costs associated with heating homes – especially during the winter months – is anticipated with dread by many whānau and is another factor within the ongoing cost-of-living crisis.

Last winter, several Whānau Ora entities told us that helping whānau with firewood, heating, blankets and warm clothes were some of their highlights of the reporting period, which reflects how strongly they recognised this need in their communities. Looking ahead to the winter of 2023, the additional costs for keeping homes warm and dry is again on the minds of many of these entities:

"Cost of living for whānau have skyrocketed and is proving difficult for whānau to be able to afford everyday living. Healthy kai is a major factor. Many have started reporting that the cost of heating (wood) is going to be difficult this year too."

"Coming into winter months with power bills expected to rise, whānau are starting to feel the pressure."

"The emphasis seems to be moving away from the Pandemic and more to the challenges of coping with life in an inflationary economy. It may be that the pandemic exacerbated some of the current economic challenges, but

conversations are more frequently around simply coping – getting sufficient kai, heating, etc – and less on covid issues."

One key message we are seeing repeated is that whānau are struggling financially and often need to sacrifice their kai budget in order to pay for other expenses, such as energy bills:

"Whānau are struggling to decide what their priorities are as they juggle their money. For example, choosing between paying for food, petrol, school fees, or power bills, as well as paying off old debts, car warranties, and phones."

"A loss of income means whānau are struggling to cover the basics like food, rent, petrol and heating. With the onset of winter, the cost of heating homes will become another burden for whānau to face."

"Food poverty – possibly because the food bill is one that can be negotiated and sometimes the only one that they can take money from to pay other more urgent bills."

The above quote reinforces the belief that an electricity bill is not something that can be negotiated. The perception is strong that this must be paid in full or risk having the power to your home disconnected – leaving a perception of no tolerance or wriggle-room.

Recommendation 1: Te Pūtahitanga o Te Waipounamu recommends that the proposed strategy of mandatory rules for electricity retailers before they can disconnect households needs to be embedded in any changes.

As whānau balance their costs, many are forced to view electricity and heating as a luxury rather than a necessity. This can result in homes not being heated adequately, with flow-on effects on health. Kōkiri Training Centre listed some of their main challenges from the most recent quarter as:

"Getting suitable accommodation which isn't damp, mouldy, drafty, and which is affordable... Ensuring whānau can tap into health services promptly."

In order for whanau to have a more confident relationship with energy usage in their homes, more must be done to prevent them from feeling like they are at the mercy of their power bill.

Recommendation 2: Te Pūtahitanga o Te Waipounamu recommends that the proposed strategy for whānau experiencing energy hardship be given greater options to choose their provider be embedded in any changes.

Many whānau currently utilise firewood as a way to reduce their energy bills, though even this cost is rising. Education is needed on the most efficient ways to heat a home, as many are reluctant to use any more electricity than the bare minimum:

"Getting warm during winter has required the support with heating and needing firewood. Elderly have fireplaces rather than heat pumps but even where there are heat pumps, the elderly are reluctant to use the power."

This ties into the need for more budgeting advice for whānau. Without this, they will be left behind in any energy transition:

"Other types of support (needed) include budgeting advice – an essential service given the rising cost of food, and the expected rise in heating costs for homes as winter approaches."

Recommendation 3: Te Pūtahitanga o Te Waipounamu recommends that strategies around boosting energy literacy need to have a broad scope covering all methods of heating homes, including firewood.

Te Pūtahitanga o Te Waipounamu welcomes the opportunity to discuss any aspect of this submission or the comments noted in the template submission form which contains greater detail and commentary and contributes to the total submission made on behalf of Te Pūtahitanga o Te Waipounamu in response to the questions posed by the Energy Hardship Expert Panel.

Heoi anō

1. Maper

lvy J. Harper Pouārahi Te Pūtahitanga o Te Waipounamu

Appendix 1 – Navigation Data relating to Energy Hardship, April 2023

What are some of the challenges you face? E.g., cost of power.

Whānau 1: Expensive

Whānau 2: Expensive, unaffordable, can't meet payments.

Whānau 3: Spending goes in line with all the other cost factors, No challenges

Whānau 4: Spending goes in line with all the other cost factors; expensive for electricity, only wood available is pine which is cheap but burns quickly.

Whānau 5: Spending goes in line with all the other cost factors,

Whānau 6: Spending goes in line with all the other cost factors, Amon hardship benefit; it is a human right to have electricity. Leaky pipes in house losing hot water, it is to expensive.

What changes have you made to save money on your power bill? E.g., Not using a dryer.

None

Turn off tv etc., each night.

We are in credit

Using the fire more often in winter.

Careful on use of electricity, do all your laundry and dishes at nighttime, and use cold water washes for laundry

Drying clothes on a clothesline, living in one part of the house, and cooking less.

Do you have difficulty navigating agencies for support with utilities? E.g., MSD.

They take a long time to answer the phone to book an appointment. Winter payments are helpful

Do not rely on agencies, we have whanau.

Waihopai Runaka have helped with wood and Awarua Synergy support. Winz are helpful with winter payments.

Everyone refers to using their online resources to fill out applications, no support with technology so now how to access apps etc.

Waihopai Runaka has helped with firewood, amat the threshold for support through work and income.

Would setting up payment options help? How? E.g., weekly, smooth pay.

Manual payments Pay manually because it is easier. We pay manually Pay manually every second week for \$43. Smooth pay is valuable Pay manually

Whānau 7

A kaumatua I have has expressed her stress over high power bills, this time last year she was paying \$40 per week on her prepaid power account and now she is having to put \$120 per week. This has impacted her health as some weeks she cannot afford the kai or activities she needs in order to maintain her health necessities, i.e being able to go to the doctor at after hours because her current GP is not available for up to 3 weeks and ACC not paying for x-rays etc. Having her energy support pack from Te Putahitanga has helped with maintaining a consistent heat in her whare and reduced the moisture content keeping her from an increased risk of breathing issues.

Whānau 8

Another kaumatua has also reported the same findings as the above whanau, with the same consequences, having to cut back on things like life, house, contents, and car insurance to afford power bills, having to cut back on the most important part of her finances has caused incredible stress over the last 12 months.

To be able to afford a fall alarm and home help have been a goal for this kaumatua and with the support of Te Putahitanga we have found a way where she can now get her fall alarm but also have some savings to go to Australia to see her tamariki, her moemoea she didn't realize just how much she needed to have her wairua filled. When showing whanau and visitors her curtains she has a face that lights up the room, having all the curtains closed she said it was so dark she slept in the next day, which she hasn't done in a long time.

Navigator comments

All whanau I have past and present have great difficulty navigating our health and social systems to the point where they have no idea what services are available to access. Every one of them knows they can go to their GP, but they don't know what they don't know, so they don't know what questions to ask in order to get them the right support they need.