

COMET



WORKING TOGETHER FOR EDUCATION

# **Financial literacy in Tamaki**

## **A slice of understanding**

**Prepared for COMET and the Tamaki GEM Working Group**

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**May 2012**

## Whakatauki

E kore e taea e te whenu kotahi  
ki te raranga i te whāriki  
kia mōhio tātou kiā tātou.  
Mā te mahi tahi ō ngā whenu,  
mā te mahi tahi ō ngā kairaranga,  
ka oti tēnei whāriki.  
I te otinga  
me titiro tātou ki ngā mea pai ka puta mai.  
Ā tana wā,  
me titiro hoki  
ki ngā raranga i makere  
nā te mea, he kōrero ano kei reira.

*The tapestry of understanding  
can not be woven  
by one strand alone.  
Only by the working together of strands  
and the working together of weavers  
will such a tapestry be completed.  
With its completion  
let us look at the good that comes from it  
and, in time  
we should also look  
at those stitches which have been dropped,  
because they also have a message.*

## Kūkupa Tirikatene

## COMET

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## Contents

Summary findings .....	1
1. Introduction .....	4
2. Report outline.....	5
3. The Tamaki Community.....	5
4. Overview of the data collected .....	7
5. Financial literacy programme and services in Tamaki .....	8
6. Other financial services and programmes.....	12
7. Obstacles to overcome .....	13
Fringe lenders and loan sharks.....	13
English language and literacy issues.....	14
Cultural beliefs and practices around money.....	14
Getting buy-in to financial literacy .....	15
8. Suggested solutions .....	15
Working collaboratively .....	16
Growing local leadership .....	16
Maximising resources and funding.....	17
Relevant resources .....	17
Programmes that fit local needs.....	18
9. Conclusion .....	18
Appendix 1: Details about financial literacy services in Tamaki .....	21

## Summary findings

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### Background

- Tamaki is an ethnically diverse community with a young and growing population. Many Tamaki families have low and/or irregular incomes, and few material assets. Stakeholder reported that for some families there is growing debt and intergenerational unemployment. High levels of debt lead to high-cost lending, and a repeating cycle of financial instability.
- A high concentration of state housing, a lack of local home ownership and the substantial changes coming to the area because of changes in housing policy pose additional challenges to families in Tamaki achieving financial stability.
- The Tamaki GEM (Growing Enough Money) Working Group is a collaboration of community service providers and interested agencies. The Tamaki GEM wanted to understand the level of financial literacy services in Tamaki (including Glen Innes, Panmure and Point England).
- Financial literacy involves financial knowledge and the understanding, confidence and motivation to make positive financial judgements and decisions.

### Financial Literacy in Tamaki- the current picture

- There is very little financial literacy education in Tamaki which focuses on debt reduction and building foundational money management skills, despite these being real and growing needs.
- There are a limited number of budgeting services in Tamaki who tend to work with families in crisis. These services work beyond their contracted provision because of the magnitude of local need and a commitment to their community. Budgeting services alone cannot provide for the size and complexity of the financial literacy educational needs of Tamaki.
- There appears to be a low level of understanding and/or belief within the community that financial literacy skills can increase the self sufficiency of low income families.
- Some banks and other organisations provide seminars or short courses in financial literacy but most of these are designed for participants with higher levels of literacy, numeracy and English than many Tamaki families. The goals of some of these programmes (such as home ownership) are not immediately relevant to families struggling to cope with debt.

- Several services have recently started offering budgeting in clients' languages, including Chinese, Burmese, Samoan and Tongan. This greatly enhances the likelihood that new Aucklanders will be able to utilise local services and programmes.
- Financial literacy services are hard to find, especially for those not in a crisis but who are looking for information and skills to better manage their financial situation or reduce debt.
- There are a number of free programmes and services that could be shaped to fit local needs. As Tamaki become more digitally connected through the Manaiakalani project, there will be increasing opportunities for families and services to use free online resources. But many families will need to work with a coach or facilitator at least in the beginning because of literacy, numeracy, language and confidence issues.
- Funding to build the capability and capacity of community organisations to deliver financial literacy is hard to find. Philanthropy may fund pilots but what is needed in Tamaki is a systematic and longer term approach.
- There is a growing interest and energy among local service providers and organisations to collaborate to build financial literacy services and community wellbeing.

## Recommendations

- Develop more financial literacy services for Tamaki that that fit local languages, cultures and situations-which are independent, free and confidential. Specifically, develop services and programmes that:
  - include scenarios and case studies of the types of challenges faced by Tamaki families, including debt management and reduction and the long-term potential for home ownership
  - take into account the literacy, numeracy and English language needs of participants
  - provide face to face services
  - last long enough to create behaviour change- incorporating a coaching or buddy/group support component
  - run at a variety of times and places to suit the needs of different groups
  - are provided in participants' first language where possible
  - use tools and resources (such as budgeting forms) that reflect the lives and cultures of local families
  - are organised in a variety of ways (such as short tasters, weekend or workplace workshops and financial literacy awareness events) to

provide multi entry points to engage people who may not currently be aware that they could benefit from financial literacy.

- Increase community awareness of the benefits of financial literacy and services available. This requires a coordinated approach to marketing services.
- Build collaboration among providers in Tamaki for mutual learning and to identify and address gaps and overlaps in services.
- Collaboratively develop and share learning resources that fit local needs and that can be used by a number of services and programmes.
- Ensure that there is systematic financial literacy education in Tamaki schools and consider using schools as a site for financial literacy education for adults.
- Advocate for tighter policies to control high-cost debt, fringe-lenders and loan sharks.
- Train and employ local leaders from representative cultural groups to teach financial literacy.
- Find high profile financial literacy champions within the community e.g. Local Board members, local sport stars, local business people and celebrities to help grow demand.
- Develop a collaborative financial literacy strategy for Tamaki, with plans and targets to accomplish the recommendations outlined in this report.

## 1. Introduction

This report, *Financial Literacy in Tamaki – A slice of understanding* is supported by COMET, an independent education trust and Council-Controlled Organisation (CCO) for Auckland Council. Our thanks go to Renaissance Centre Charitable Trust who funded this research.

COMET is coordinating the Growing Enough Money (GEM) working group focussed on Tamaki (including Glen Innes, Panmure and Pt England). GEM is made up of a range of organisations with an interest in the financial wellbeing of Tamaki including: East Auckland Home and Budgeting Service (EAHBS), Glen Innes Family Centre (GIFC), Auckland Council (AC), Ministry of Pacific Island Affairs (MPIA) and The Commission for Financial Literacy and Retirement (CFLR) (formerly The Retirement Commission) and COMET. The purpose of GEM is to galvanise and activate community, government and industry partnerships to advocate for, facilitate and/or provide financial literacy education and services that build money management knowledge, skills, confidence and aspiration with Tamaki families, households and workplaces.

The GEM working group want to understand what is needed to grow a culture of financial literacy in Tamaki. This includes documenting current programmes and provision and scoping potential roles and opportunities for government, industry and the community to promote and provide financial education and financial services.

We are using the definition of financial literacy provided by CFLR: “The ability to make informed judgements and effective decisions regarding the use and management of money. Financial literacy is seen as a spectrum covering financial knowledge and the understanding, confidence and motivation to make positive financial judgements and decisions (p4).”<sup>1</sup>

The term community refers to the people who live and work in Tamaki, and the people who have been listened to during the research process, their whanau and the organisations they represent. Our thanks go to all those who agreed to participate.

**Financial literacy gives people choices, helps protect them from fraud and scams and enables them to have voices as consumers and citizens. Personal financial wellbeing benefits the economy.**

**The worldwide economic downturn and finance company collapses in New Zealand have highlighted the importance of financial literacy.**

**People are more aware that they need to manage their money well, but unfortunately their knowledge of how to do it is patchy.**

National Financial Literacy Strategy, 2012

<sup>1</sup>Financial Literacy Advisory Group (2012). *National Strategy for Financial Literacy*. Wellington.

Candice Reed, a journalist and a Tamaki resident was the principal researcher. Alison Sutton is COMET's strategic analyst. The report was commissioned by Shirley Johnson, the COMET manager for Skills and the chair of the GEM working group.

## 2. Report outline

The report starts with a brief description of key characteristics of the Tamaki community. It then provides a snapshot of what financial literacy services and programmes exist in the community early in 2012, highlights opportunities for services and programmes to expand, identifies ways services, programme leaders and agencies could be better linked and suggests possible ways to grow demand for financial literacy services and programmes.

Thirty one people from a range of services and agencies were interviewed about what financial literacy education programmes they offer, who their target participants were, what resources they used to deliver the programmes and where funding came from. This interview process included talking with three budgeting support services, one tertiary provider and three other educational providers, three banks, the local marae, local and national government representatives, business associations, Citizen Advice Bureau (CAB), local libraries and church leaders.

It is important to note, the report is not offering a definitive answer to the issue of financial literacy, nor is it an exhaustive stock take of the services, programmes, agency or people involved in this area of work. However, it is a useful illustration of the state of financial literacy within Tamaki at the moment and provides a platform for GEM to plan some action.

## 3. The Tamaki Community

At the 2006 Census there were 40,221 people living in Tamaki with a median age of 31 years. The population is expected to grow by 10,000 people over the next 25 years.<sup>2</sup>

Tamaki is ethnically diverse, with more Maori and Pasifika and fewer Europeans than Auckland as a whole. In 2006, 37.6% of Tamaki residents were European, 32.8% were Pacific Peoples, 20.1% Asian and 17.3% Maori. In Tamaki 60.8% are New Zealand born, (compared to 37% of Auckland residents born overseas).<sup>3</sup>

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<sup>2</sup> Tamaki Transformation Programme (2010) *Tamaki Transformation Programme update April 2010*

<sup>3</sup> ARC (2006) *Demographic Profile for Auckland Council – Tamaki subdivision: Results from the 2006 Census*.

**Figure 1 - Ethnicity of residents, Tamaki and Auckland, 2006**

The median personal income for Tamaki residents aged 15 years or over in 2006 was \$23,779 compared to Auckland Region's median income of \$26,800 (22% lower). In 2006, about 60% of residents were working, over 87% of who were paid employees. Only 8.4% were self employed. Just over half of the paid employment population worked between 40 to 49 hours per week.<sup>4</sup>

Education levels are low with almost 30% of adults in Tamaki not having school or tertiary qualifications. About 11% have a Bachelors degree or equivalent. At the end of December 2011 there were 883 residents in Glen Innes and 370 residents in Panmure receiving an unemployment benefit. Both of these figures had decreased from December 2010. At the end of December 2011 there were 1,256 Domestic Purposes Benefit (DPB) recipients in Glen Innes and 966 in Panmure; there had been minimal change in the number of DPB recipients in Tamaki over the 12 months prior to this time period.<sup>5</sup>

Tamaki is a low-socio economic community with a high state-housing tenancy. More than 56% of the area's housing stock is owned by Housing New Zealand Corporation (HNZC) (2,854 residential dwellings).<sup>6</sup> HNZC estimate 75% of the housing it owns in Tamaki is over 40 years old and requires an average spend of \$2,100 per dwelling on maintenance. The majority of state-housing tenants in Tamaki are Pacific and Maori residents, and there is a low turnover of tenancy with 60 per cent of state-housing tenants remaining in a house over six years.<sup>7</sup> Major housing

**Financial literacy is an issue in all communities but it is particularly challenging in communities like Tamaki where families have low incomes, few material assets and high benefit dependency.**

<sup>4</sup> ARC (2006) *Demographic Profile for Auckland Council – Tamaki subdivision: Results from the 2006 Census*.

<sup>5</sup> Ministry of Social Development (2011) *Auckland Region Service Centre Fact Sheet – Centre for Social Research and Evaluation*

<sup>6</sup> Tamaki Transformation Programme (2010) *Transforming Tamaki Together*

<sup>7</sup> Housing New Zealand Corporation (2010) *Housing New Zealand in Tamaki 2010-2030*

developments are planned for Tamaki, with 156 properties in northern Glen Innes being used to create at least 260 new homes over the next few years.

In the private housing sector the overall median weekly rent in Tamaki is \$225 and the median family income is \$51,070 per annum.<sup>8</sup>

The Tamaki community has a number of features that suggest there would be benefits from increased financial literacy. Local families have low (or irregular) incomes, most do not own a house or have assets they can borrow against, many have minimal formalised education or have limited English and few have savings. Many are vulnerable to changes in their financial circumstances and in addition, are likely to have a poor credit rating with mainstream financial services. Many are in debt to non-mainstream financial organisations – fringe lenders.<sup>9</sup>

#### 4. Overview of the data collected

We identified a number of potential sources of financial literacy in Tamaki and used a snowballing recruitment process to identify programmes and key stakeholders.

The tables below present a snapshot of 12 financial literacy services and programmes operating in the community. We have grouped similar services together (Community Budgeting Services, Bank Financial Literacy Programmes, Education Providers, and Community Based Services).

A more detailed description of each programme featured is available at Appendix 1.

We contacted a number of other churches, banks, employers and services who either wished not to participate in the research or who did not respond within the deadline for publication.

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<sup>8</sup> ARC (2006) *Demographic Profile for Auckland Council – Tamaki subdivision: Results from the 2006 Census*.

<sup>9</sup> Cagney, P. and D. Cossar (2006). *Fringe lenders in New Zealand: desk research project*. Wellington, Research New Zealand.

## 5. Financial literacy programme and services in Tamaki

### Community Budgeting Services

What was identified	Clients/ Participants	Funding	Employers/ Who delivers the service	What happens	Comments
East Auckland Home & Budgeting Service	Approx 800 clients per year or approx 60 new clients per month. Most are beneficiaries referred from Work and Income (W&I) HNZA and CAB offices.	Ministry of Social Development (MSD), community grants.	1 full-time budgeter and 11 part-time budgeters employed working 3- 35 hours a week.	Clients & budget advisors create a budget to reduce debt. A total money management system is available where advisors make bill/ debt repayments on client behalf.	Appointments at Panmure Library, Panmure/ Glen Innes, W&I, Tamaki Community Church, Orakei Marae, Orakei Community Centre or request a home visit.
Glen Innes Family Centre	Funded for 40 families per year, but see 140+ families. Referrals from W&I, schools or doctor services, etc. 90% beneficiaries, 70% of whom are solo mums. Majority of clients are Pacific Island or Maori.	MSD, community grants.	1 budgeter employed who has been working at GIFC for 14 years.	Clients & budget advisor create a budget designed to reduce debt.	Up to 30 food parcels per month are also distributed to clients some also referred to Auckland City Mission for more support
Auckland Central Budgeting Consultants	Approx 30 clients per week.	MSD, community grants	3 volunteer budgeters operate from Glen Innes CAB.	Clients & budget advisors create a budget designed to reduce debt.	Operate from Glen Innes CAB 3 mornings a week.
Christians Against Poverty (CAP) Grace International	Clients referred from social services or known to church. Av. four new clients per month.	Donations via national CAP charity.	1 CAP credit liaison worker at Grace International.	5 step debt free budget includes home visits, CAP account created & managed by staff	Has been offering CAP since October 2011. Appointments made via Auckland head office.

It is difficult to quantify how many Tamaki families receive support each year from these budgeting services as some families may see more than one service provider, and some families may see budgeters regularly while other families may use the services more casually. There are no specific waiting lists for these budgeting services, rather people are seen once they have been referred, either through an agency or via self referral.

### Bank Financial Literacy Programmes

What was identified	Clients/ Participants	Funding	Employers/ Who delivers the service	What happens
Westpac Managing Your Money	Local schools, businesses and customers	Internal	Westpac branch managers	Workshops are facilitated by branch managers and operate on a demand or as need basis. Workshops last between 1-2 hours and cover topics dictated by participant interest. There was no specific information on how many local groups had participated in workshops over the last year.
Instant Finance All About Your Loan	All Instant Finance customers	Internal	Branch staff	Six years ago Instant Finance created a pack ' <i>All About Your Loan</i> ' in response to a need for the education of customers signing contracts. The pack is handed to every customer signing a contract and explains details of a contract in layman's terms.

### Education programmes that may build financial literacy

What was identified	Clients/ Participants	Funding	Employers/ Who delivers the service	What happens	Comments
Te Waipuna Puawai (TWP) Financial Literacy	An average of 20 women over 18 years of age are enrolled per semester.	MIT funds course tutor. TWP funds the facility, transport and childcare.	MIT tutor with guest speakers	A 50 hour course, run over 1 semester. Students attend 3 hour classes 2 days a week covering a range of topics.	TWP is a Sisters of Mercy New Zealand community development initiative established in 1999. TWP provides transport for Tamaki women and their children to

				The course is developed from an MIT Headstart Programme.	its Ellerslie centre. A fully licensed ECE centre on site allows children and parents to learn in the same space.
Pt England Primary School  Kids@Work	All students.	Funding being sought to formalise and expand the programme.	A full-time employee being sought. Interim support provided by all teaching staff.	Students apply for advertised jobs created by staff ranging from bin monitors, gardeners, cleaners, etc. Some jobs are paid, some are voluntary. All operate on school grounds.	The programme started 2 years ago and is still evolving. It is being trialled at Pt England Primary School with the hope of being rolled out across the Tamaki cluster of schools once ongoing funding is secured and the programme is approved and formalised.
Solomon Group Education Training & Employment Academy (SG)	Approx 200 mature age students enrol each year at Panmure site, however not all students are Tamaki residents.	Government contracts; Ministry of Social Development and Tertiary Education Commission	Trained tutors and facilitators.	SG trialling specific financial literacy courses. One is iwi based, delivered by a trained facilitator of Ngai Tahu with corporate support. Another course focuses on the cost of a baby and is supported by Plunket and other corporate funders.	After trials the courses will be evaluated by staff and students before more funding is secured to formalise permanent courses around financial literacy.  Financial literacy and numeracy is sometimes a part of other courses offered by SG.
Manaiakalani Education Trust	Every Year 5-13 student and their whanau in Tamaki. By the end of 2012, 2000 children will have their own laptops	A mix of public, commercial and philanthropic grants. At the end of 2011 major funding grants came	4 staff employed. Future leaders will emerge and be trained as facilitators.	The trust aims for every pupil from years 5 to 13 to have a computer netbook and, eventually, 24/7 access to high speed wireless.	Financial literacy is reached through improved student learning and family engagement. All families sign a kawa of care to indicate their dedication to looking after the

	and Google Document accounts.	from Te Puni Kokiri and ASB Community Trust.		Parents pay a deposit of \$40 for the laptops, and \$15 a month over three years to cover the \$580 total cost.	netbook asset and the financial responsibility of the scheme.
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### Community services

What was identified	Clients/ Participants	Funding	Employers/ Who delivers the service	What happens	Comments
Tamaki Pacific Financial Literacy Pilot Programme	2 cohort groups completed (Tongan and Samoan families, totalling 32 families). A final cohort group of Tongan church leaders to start in April.	Major supporters include Ministry of Pacific Island Affairs, BNZ and the Commission for Financial Literacy and Retirement Income.	Jointly run by stakeholders, led by MPIA and supported by BNZ and the Commission for Financial Literacy and Retirement Income.	15 workshops spread over three and a half months, Sessions cover a range of financial literacy topics. Each family is assigned a volunteer community coach who provides one-on-one coaching to encourage, motivate and overcome any course challenges relevant to their individual financial needs and requirements.	Partners include the BNZ, the Retirement Commission, Tamaki Transformation Programme, COMET, Ministry of Consumer Affairs, Tamaki Pasifika, Auckland Council, CareerWorks and Tamaki College.  The delivery of the programme has been developed to suit the needs of each culture, their levels of confidence dealing with financial issues, language and literacy levels and spiritual and cultural expectations of money matters.

## 6. Other financial services and programmes

There are also a number of other financial education classes, programmes or budgeting advice/support available to Tamaki residents, although these are not specifically developed or targeted for Panmure, Glen Innes or Pt England residents. This list is not definitive; new products are appearing regularly. Current learning opportunities include:

- Selwyn College Community Education classes;
- Age Concern Financial Management Service
- Youth Enterprise Trust activities including Skint to Mint (a board game for secondary school students) ; Young Enterprise Trust provides training for teachers to lead their activities <http://www.yetrust.co.nz/>
- Papa Whairawa - a free home-based financial literacy course offered by Te Wananga o Aotearoa <http://www.openwananga.ac.nz/index.php/our-programmes/papa-whairawa>;
- the Get Wise programme for schools sponsored by ASB (<http://www.getwise.co.nz/>)
- the Sorted website; there are free tools for individuals and families to use online or download. There are also resources and seminar outlines that can be downloaded or ordered, so community groups can run courses themselves. The website has just been redeveloped to be more interactive, user friendly and to better cater for people with less literacy and limited existing financial knowledge <https://www.sorted.org.nz/>
- FLOW – Financial literacy in our workplaces. <http://www.flow.org.nz/>
- The Duffy Club is run by Craig and Paul Duffy and provides independent financial education to intermediate school age pupils (years 7-8). A private entity, the Duffy club provides nationwide on line and classroom education. The service is currently free [www.duffyclub.co.nz](http://www.duffyclub.co.nz)
- SavY: Based in the University of Auckland’s Business School, SavY is a not for profit organisation delivering free financial literacy workshops for high school pupils. Workshop facilitators are university students trained to deliver the material. [www.savy.org.nz](http://www.savy.org.nz)
- Financing Family Life: a BNZ programme to help new families plan financially <http://www.bnz.co.nz/personal-banking/be-money-smart/financing-family-life>
- Welcome Home, a free programme promoting first home ownership <http://www.welcomehomefirststeps.co.nz/>
- Managing Money Aotearoa – a programme being developed by Ngai Tahu for Maori whanau.
- ANZ - Your guide to healthy finances <http://www.anz.co.nz/about-us/corporate-responsibility/community/financial-knowledge/>

Information on these programmes has not been included in this stocktake because we weren’t able to establish sufficient information about their uptake by local residents.

The increasing use of online programmes means it is particularly important to consider the needs of families that are not digitally connected, who need a coach, trainer or mentor to help them connect and stay involved.

The CFLRI suggests quality financial literacy provision needs to meet a number of criteria: use trained personnel; have good practice delivery approaches; provide or use quality and accessible learner-focused resources; and have a credible monitoring and evaluation process.

## 7. Obstacles to overcome

There are macro-economic issues at play in Tamaki - low wages, high unemployment and families with insufficient income to thrive. In addition, the stakeholder interviews identified a number of issues that need to be addressed if there was to be an increase in local financial literacy and ultimately, an improvement in the financial wellbeing of families in Tamaki.

### Fringe lenders and loan sharks

We live in a consumer's world. There is always something to buy, something to desire and an appearance to maintain to your peers. Tamaki residents are not immune to this modern way of life, nor are they immune to the financial pressure to maintain such a world. A consequence of insufficient income or living beyond one's means is the use of fringe lenders.

***“Finance is so freely available – and the women understand that – but what they don’t understand is the impact of interest and other terms that come from ‘free’ finance.”***

Every service provider we spoke with said the number one financial issue for residents was severe debt tied to loan sharks, mobile clothing stores, hire purchases for vehicles and the priority these payments had over food, rent, mortgage and power.

This is a common pattern across the country. Low income consumers, particularly non-English speaking people, are more likely to suffer detriment in the form of harsh and oppressive credit contracts, high interest rates, fees and penalty charges, and a resulting high level of indebtedness.<sup>10</sup>

Social service providers said some beneficiaries hardly have enough to meet the basics- for example, after paying debts some whanau have \$20 to feed their children for the week. Service providers say it is an unfair judgement of others to think beneficiaries are smoking and drinking their money away, when most are working hard to do what they can with what they have.

Many social service providers suggested financial literacy programmes had to include helping people understand the choices they have about their spending habits and priorities. All providers agreed creating the hope of being debt free is as important as creating better spending habits.

<sup>10</sup> Cagney, P. and D. Cossar (2006). *Fringe lenders in New Zealand: desk research project*. Wellington, Research New Zealand.

## English language and literacy issues

While the diverse cultural make-up of Tamaki residents generates a positive and colourful community, it also poses some challenges. Language is one of those challenges. Many Pacific and Asian residents of Tamaki are first generation immigrants and do not speak English as a first language; some very new migrants do not understand basic English words or phrases.

Service providers often do not know the level of understanding clients take away, particularly if there is no translation services or family with more English language competence available at the time of explaining these contract conditions.

***“Language barriers prevent resources from being understood by students, both because of English and just the high level use of terms.”***

Working through language and literacy barriers is a daily task for CAB volunteers. The Panmure branch has responded to this obstacle by offering a Chinese speaking volunteer twice a week, and a lot of queries arising from these sessions centre around financial stress. The Glen Innes CAB has a Burmese-speaking monk on Mondays who attracts many Burmese clients. Work and Income, with support from local budgeting services have

also started to offer budgeting advice from Samoan and Tongan speaking facilitators (but as yet for only two hours per month). Other services have also responded with more Samoan, Tongan and Mandarin speaking volunteers, budgeters and employees on hand to help translate and inform residents, course participants and customers, albeit on a limited basis.

In addition to limited English, some clients have low literacy and numeracy and limited financial knowledge on which to draw. This makes complex issues, such as terms and conditions on hire purchase and lending contracts, difficult to explain. The participants identified a mismatch between the literacy level of the community and the literacy requirements of many of the financial literacy resources being used. Many service providers say the resources don't meet the starting point of community members or demand too much numeracy or too much prior knowledge of financial matters, and thus may not engage participants.

## Cultural beliefs and practices around money

Cultural practices not fully understood in a Western world view can make it difficult to deliver off the shelf financial education programmes. Collective and familial financial expectations, such as the pressure to send a significant proportion of earnings to family members living in the Pacific Islands (remittances), are very different to the individual financial expectations of the Western world. It is estimated Pacific families living in New Zealand will remit between five and fifteen per cent of their incomes home.<sup>11</sup> There are additional expectations on Pacific families to send money home for funerals, weddings and other significant

***“Most of these resources talk the talk of middle class Pakeha and we aren't dealing with middle class Pakeha here.”***

<sup>11</sup> Families Commission (2010) *Pacific Problem Debt – Issues Opportunities and a Way Forward*

celebrations or ceremonies. Often families do not budget for these unexpected events and to fulfil cultural and family obligations will borrow more money, creating more debt.

***“The cultural awareness of financial advisors is vital.”***

These differences in financial priorities are highlighted in many of the resources used by agencies. For example, the majority of mainstream budgeting sheets follow a Western worldview of income, mortgage, etc. In reality for budgeting sheets to represent the financial realities for Pasifika families in Tamaki, budget sheets need to refer to outgoings for rent, church

donations and remittances. Budget service providers in Tamaki said the cultural awareness of advisors when working with local families was vital if there was to be any chance in helping reduce debt and change spending and saving habits.

### Getting buy-in to financial literacy

The majority of budgeting advice clients are attending budgeting services in order to receive a benefit, or similar, at the end of their session. Attending a budgeting service is a Work and Income requirement before some benefit applications are processed and it is therefore seen as a ‘means to an end’ by the client.

People attending compulsorily are not necessarily ready and willing to change their financial behaviours. Many of the stakeholders interviewed spoke of the role an individual plays in taking responsibility for their actions, and being willing to participate in programmes to take better control of their lives. Many service providers said when people were ready to take personal responsibility to their situation they were likely to get better support from social services and agencies. When people were ready to change they were also more likely to pass on their experiences and new financial knowledge to others around them.

***“Most clients want to change their life for the better, not many people truly want to be on the benefit.”***

Budgeting advisors and other social service workers said how the majority of clients they work with genuinely want to change their lives, not many truly want to be on a benefit. They all suggested for this change to happen there needs to be a long-term investment at all levels, community, agency and government.

## 8. Suggested solutions

Often financial stress is not the only pressure in peoples’ lives. It comes as part of wider structural issues and can be interconnected with health, employment, abuse, living conditions, etc. Financial literacy services need to be flexible enough to recognise the role other factors play in debt and financial literacy levels.

Despite the complexity of the issue, the response from the Tamaki community, agency, business and social service providers alike to who was responsible for providing financial literacy services was simple – there is no ONE responsible, rather it is a shared responsibility between individual, community, agency and government.

Most people also talked about the responsibility of the government to protect the most vulnerable in society. Tighter policy around lenders, improving local services, and funding local initiatives can all contribute to a better overall financial literacy culture.

### Working collaboratively

The Tamaki GEM group has come about because local service providers, organisations and agencies see the potential in working together. Over 25 representatives of local organisations have been attending GEM meetings over the last few months and all the key GEM organisations have been included in this report.

GEM participants have commented that attending has broadened their understanding of the multi-faceted nature and cultural complexities of financial hardship and issues surrounding financial literacy. The group has deepened their awareness of the multiple solutions needed to enable the community to more confidently engage in financial pathways to success. There appears to be a strong commitment amongst GEM members to continue working together to achieve long term and sustainable results.

The sharing of tools, resources, spaces and best practice initiatives, along with building partnership approaches to service delivery has commenced between GEM members.

GEM members recognise there are no quick fixes. Accessible, relevant and joined up local services need to be developed and information provided so locals know where to go for advice and help. This needs to happen if there is to be any hope in achieving long term changes in the financial stability of families.

### Growing local leadership

Local leadership is a possible solution suggested to overcome cultural barriers between service delivery and community participation - letting local financial literacy leaders emerge and then providing training to up skill and support them to deliver financial literacy programmes and services. Supporting this process will allow local financial literacy capacity to develop and for local education facilitators to engage with the people they know and help everyone understand a different world view.

Although the Ruapotaka Marae is a focal point of the Tamaki community and provides many services from its Glen Innes location, specific financial literacy programmes are absent. Many people attending the marae, which is open for and used by all residents, not only Maori, talk about debt and wanting to reduce their debt, but not knowing how to do so or who to turn to for advice. Offering these people opportunities to be trained as budgeters or financial educators was identified as a sustainable solution to the language and cultural issue surrounding money matters.

## Maximising resources and funding

As with any service, funding is always an issue. There is simply not enough to fully fund every service or initiative in the community. Although there has been a recent increase in the amount of corporate funding for programmes and services, most of the funding available is public rather than private. For most service providers in Tamaki, the bulk of funding comes from the Ministry of Social Development with top ups applied through the various community trust funding rounds. This lottery of funding success limits what services can provide and the ongoing sustainability and traction of educational programmes. Many charities also rely on volunteers rather than paid staff.

With the bulk of funding being provided from one pot (MSD) competition to secure funding increases, and can result in some services not being able to run persistently end up operating at a sub-par level and not meeting the demands of the community need. For example, Glen Innes Family Centre receives government funding to work with 40 families per year. In reality, staff work with over 140 families per year. This is a common story for many of the budgeting services in the community and poses the question, what can really be achieved and what difference can really be made with limited funding?

Some recommendations to overcome this funding obstacle include better communication between agencies and services and a suggestion that the MSD review what and how it funds services in Tamaki. Instead of funding five different services offering similar budgeting support, perhaps the funding might be more effective if distributed in larger amounts to one or two service providers. The idea of joint funding applications and/ or prioritising who is best suited to deliver what type of service, support or education was also talked about. However, this does not mean a cutting of services, rather a better split of funding to help services specialise in areas they are already good at.

## Relevant resources

The resources agencies use to deliver programmes are all different and most agencies have developed their own because the ones in existence do not relate to the community. There is a real opportunity to create some collective resources which would also ensure more consistent messages and outcomes across the wider community participating in a variety of programmes.

Some agency and education providers have amended available resources from the CFLR and the Youth Enterprise Trust, and say while it is great to have resources available it is time consuming to make them relevant to the Tamaki audience. There may be an opportunity to for service providers who have amended resources to share them rather than recreating the burden for others to reinvent the wheel.

For example, staff at the MIT spent hours developing educational resources, lessons and projects which meet the level of literacy of participating students and the realities of their lives. They set real projects focussed not just on money matters but whole life lessons such as how to grow vegetables and save money at the supermarket, how to access public transport and save money on petrol and car expenses, etc. These types of “hands on” resources with interactive teaching are supported and encouraged by other local services. Specifically, these teaching resources could be of real value to marae and school staff as they go beyond making a budget to

understanding economics in a relevant way. Participating in projects which make sense to community members and groups promote learning and provide transferable skills to the home.

### Programmes that fit local needs

While recommendations on the ‘what’ and ‘who’ of financial literacy programmes were often conceptual, suggestions of the ‘where’ and ‘when’ of future programmes were more concrete from participants, and many wanted to be able to choose the right service to meet their needs.

Offering services and programmes at a neutral location came high on the advice given. Debt and financial stresses are personal, associated with failure and shame and can be difficult to talk about for people. Having to do this in a place where you may be recognised is embarrassing while having to visit an unfamiliar or formal environment can be uncomfortable and unsupportive.

Many services use both the Panmure and Glen Innes public libraries as neutral meeting points. Often libraries are places people are familiar with and comfortable in, and it is difficult for others to judge why they are there. Meeting with other people needing the same service also decreases stress and tension, just being in an environment of “like minded” people can also increase participation rates of classes. Both community libraries are available to host more meetings if and when needed.

Ruapotaka Marae was also identified as a real opportunity for the future. While no structured financial literacy programmes operate from the marae, community support staff deal with financial stress from community members on a daily basis. If there were trained staff or community leaders with funding available to run programmes the marae would jump at the chance to offer a better service.

*“Programmes need to consider community access including a known and safe venue, privacy, childcare and transport.”*

At the Tamaki Community Link Centre in Glen Innes, services are centralised and accessible and the centre also has rooms available to host workshops and other programmes.

Offering programmes at suitable times for parents and/ caregivers, potentially with free childcare, was also a recommendation. Too often courses are offered during times where people are working or busy with night-time routines and dinners. At Te Waipuna Puawai childcare and transport to and from the centre are provided. Considering these types of obstacles in peoples’ lives is essential to success and growing development across the community.

## 9. Conclusion

Overall, after talking with 31 people from a range of community groups, services, agencies and programmes, there is evidence than in Tamaki providers are aware of the importance of financial literacy, what it is and how important is it so grow a healthy culture around money matters in the area. Most respondents, groups and agencies are keen and motivated to do something to move

financial literacy in Tamaki along, but the main question was how to do this, who should be leading the charge and what would the programmes look like?

There are a number of established budgeting support and advice services operating in Tamaki, the main ones being East Auckland Home and Budgeting Service, Central Auckland Budgeting and Glen Innes Family Centre. Most people going through these services are referred from W&I, HNZA and other state led agencies and while for some people these services do have long-term impacts and result in positive changes in behaviour there is still a sense of ‘serving your time’ from clients who just go through the process to get what they need, i.e. emergency funds or food parcels etc.

There is a genuine hope among service providers to link budgeting or crisis interventions with more educational focussed programmes. For some providers and participants the obstacle to provide this link lies in the fact many education focused programmes are still evolving, being ironed out, but the financial debt and issues facing families in Tamaki is sometimes generational and growing. To make positive and sustainable change, services need to consider both the immediate debt crisis and then the long-term education around spending habits, investments, etc leading to financial literacy. All of the services agreed they want to do themselves out of a job, because when all people in Tamaki are financially literate, their services will no longer be needed. This would be an outstanding result for all.

Some of the recurring themes that came from the research were around resources, funding, cultural barriers and leadership. Most agencies and service providers agreed that in order to make a sustainable change in Tamaki and a positive difference programmes have to;

- Be shaped to local literacy, language, culture and situations
- Be flexible enough to let local leaders emerge to be trained up to become the facilitators,
- Start education earlier, get financial literacy into schools; and
- Accommodate the community, maybe holding sessions, classes, etc at better times for parents, shift workers, etc in more central locations with childcare provided and interpreters if necessary.

We had anticipated there would be lots of activity in the financial literacy education and services space. Perhaps small, informal and not necessarily well structured, but activity all the same; activity that could be grown, perhaps polished a little and then joined up. We now know this is not the case. Financial literacy education within Tamaki is seriously inadequate to cater for the magnitude of the need, despite the determined efforts of a few agencies.

***“We are talking about citizenship. It is so hard to talk about financial literacy in isolation...”***

***“... It’s about making informed decisions and being able to explore your options.”***

***“It’s taking control, taking ownership of your own life.”***

This small piece of research provides a platform of understanding from which we can build a plan of action for financial literacy in Tamaki, with our eyes wide open to the realities, challenges and opportunities that exist within Tamaki.

## Appendix 1: Detailed description of financial literacy services in Tamaki

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**What:** East Auckland Home and Budgeting Service

**Who:** Peter Young & Emma Marshall

**Where:** Tamaki Community Church, Court Crescent, Panmure (base)

**Funding:** The budgeting service is a registered charity and receives funding from the Lion Foundation, Catholic Caring Foundation, COGS Lotteries, United Way, ASB Charitable Trust, Mt Wellington Foundation, New Zealand Community Trust and Ministry Social Development.

**Participants/ clients:** The budgeting service sees approximately 800 clients per year, and approximately 60 new clients per month. It is difficult to say how many clients are repeat clients, some clients attend once while others attend appointments on and off for 10 years.

The majority of clients are referred from WINZ, HNZC and local Citizen Advice Bureau offices.

Clients range in age, sex and ethnicity.

Up to 70 per cent of clients are beneficiaries.

**More details:** East Auckland Home and Budgeting Service have been operating in Tamaki for over 30 years. Client numbers have doubled in the last year with recent policy changes at WINZ. The service has been called “an essential community service” by the Ministry of Social Development.

The service employs one full-time budgeter and 11 part-time budgeters who work between three and 35 hours a week. Budget advisors complete a budget advisors course through the Salvation Army or Christian Budgeting NZ. Ongoing training is completed through monthly staff meeting and other training opportunities.

East Auckland Home and Budget Service operates from a number of locations and clients can book appointments at Panmure Library (Wed 10am-12pm), WINZ Panmure, WINZ Glen Innes, Tamaki Community Church, Orakei Marae, Orakei Community Centre or clients can request a home visit.

At an appointment clients are asked to bring bank statements and any bills. A budget is then worked out with the budget advisor by listing down all income and outgoings, identifying any surplus or deficit. A ‘goals and aims’ sheet is used to help clients identify financial long term and short term goals. The advisor works with the clients to see how these aspirations can be met through a step-by-step process. If the client asks budgeters will contact any creditors on the clients’ behalf and try to negotiate reduced payments. For a few clients weekly payments are made on the clients’ behalf through an agreed total money management system.

*“There is education that happens along the way, it’s not just writing up a budget and saying goodbye. The most common problems we see are too many loans which take payments away from essential things like food and electricity.*

*“Sometimes it can feel like you are not making much progress at all, and then all of a sudden something happens and a client has been able to clear some debt and they tell us how much this has helped, how much this service has made a difference, how much they have learned with us.”*  
Emma Marshall

.....  
**What:** Glen Innes Family Centre

**Who:** Arvind Patel

**Where:** Glen Innes Family Centre, Elstree Avenue

**Funding:** Primary funding comes from the Ministry of Social Development, but the centre applies for additional funding from a variety of community funders, although it is not always successful.

**Participants/ clients:** The centre is funded to see 40 families per year, in reality more than 140 families are either referred from WINZ, HNZC, schools or doctor services and other NGOs to the centre or participate in budgeting services voluntarily. The majority of clients, up to 90 per cent, are beneficiaries and 70 per cent of those beneficiary clients are solo mums. The remaining 10 per cent of clients are from low income families.

Overall, the majority of clients are either Pacific Island or Maori.

**More details:** Arvind Patel has been employed as the centre budgeter for 14 years. He has seen many changes in the community, but says the need for financial literacy education has always been high. Many of the clients seen do not have the literacy skills to manage their regular expenditure. They do not have a budget plan in place where they prioritise essential expenditure to cover their basic living costs.

During an appointment clients will work through a budget worksheet, listing incomes against expenses such as rent, power, telephone, grocery items, clothing, doctors/ prescriptions and travel. A budget plan is created and clients are encouraged to continue writing down expenses and income to keep track of spending and any changes.

The most common obstacles in people's lives are debt due to hire purchase credit, cultural and religious responsibilities (ie remittance), English as a second language and general poor money management skills.

Up to 30 food parcels per month are also distributed to clients through the family centre, and many more clients are referred to Auckland City Mission for ongoing help with food. Arvind says the wrap around services offered through the Glen Innes Family Centre help clients coming in for budgeting help, because so often financial stress is not the only stress in people's lives.

*"It is a complex issue and, so, the answer is not simple. We see people that need help with budgeting that are also seeing a counsellor or are domestic abuse victims or are living in an overcrowded home or have poor health, etc so they need social work advocacy. These problems are hard to talk about on their own; they all need to be considered together.*

*"Most clients want to change their life for the better, not many people truly want to be on the benefit. The benefit is designed to cover the basics and most people want enough to do more than cover the basics, they want to provide a better life for their children, they want a better life so the cycle doesn't repeat."*

- Arvind Patel

.....  
**What:** Auckland Central Budgeting Consultants

**Where:** Citizen's Advice Bureau, Glen Innes (Mon, Tues, Fri)

**Funding:** Ministry of Social Development and additional funding from ASB for office supplies.

**Participants/ clients:** On average 10 appointments are made for clients each day, approximately 30 clients each week. Most clients are referred from WINZ, a small number are self referred or at the Citizen's Advice Bureau for other help and take advantage of having a budget advisor on site.

**More details:** Auckland Central Budgeting Consultants have over 20 years experience and are members of the Associated Budgeting Consultants. All budgeters are volunteers and are fully trained before meeting clients and ongoing training and support is offered regularly.

There are three volunteer budgeters who work from the Glen Innes base, one of which has recently started to take “walk-ins” as many appointments were not being kept by clients.

At an appointment clients list expenses such as rent, power/gas, hire purchases, petrol, WOF, medical costs, prescriptions, insurance (car, life, house and contents), food, donations, phone, internet against income. Clients are encouraged to identify priorities and spending to ensure there is adequate cash flow each week, where there isn't budget advisors help minimise the risk of more debt and will contact money lenders if required. Budget advisors say the biggest debt traps they deal with in Tamaki are car's on hire purchase, clothing trucks and cultural obligations like remittance.

Most clients will also ask for a food parcel at an appointment.

.....  
**What:** Christians Against Poverty

**Who:** Martha Pritchard

**Where:** Grace International, Glen Innes

**Funding:** Donations made to Christians Against Poverty

**Participants/ clients:** Anyone

**More details:** Christians Against Poverty is an international charity which works with local utilities and national finance institutions to offer support and sustainable solutions for individuals and families living with debt through a combination of advice, education, budgeting and insolvency services.

Trained credit liaison officers work with clients in a five step approach to negotiate on their behalf with lenders. A home visit happens first before support workers create a budget with clients. Once a budget has been worked out a debt coach visits the client to explain again the budget and payments required. A CAP account is then created for clients which CAP staff manage making repayments on behalf of clients until they reach debt free. If clients are in severe debt CAP staff can help with insolvency. There is also ongoing support for the clients while on their budget focussed on helping build capacity outside of finances. Each client is assigned a support worker who helps with sending out birthday cards etc, organizing client events, taking clients shopping and a numerous other ways of building up the friendship.

Grace International has one trained staff member who is a qualified CAP credit liaison worker. The church has been offering this option of total money management since October 2011. On average the church sees four new clients per month, and each client is visited three times by Grace Community Pastor , Martha Pritchard; the only CAP trained budgeter at Grace International. The majority of clients are referred through social services or have self referred after seeing a leaflet about CAP. All appointments are made via the CAP head office in Auckland.

.....  
**What:** Managing Your Money workshops

**Who:** Sanjila Gounder, Panmure Branch manager

**Where:** Westpac

**Funding:** Internal

**Participants:** Local schools, business and customers

**More details:** Managing Your Money workshops are facilitated by local Westpac branch managers. The workshops operate in the community on demand and can be approached or recommended by schools, companies and customers. Some branches will also approach groups to see if they would be interested in attending a workshop. The workshops last between 1 – 2

hours and cover a range of topics depending on what participants are interested in learning more about. Details of the workshops are also available on the internet.

.....  
**What:** All About Your Loan

**Who:** Adrian Hatt

**Where:** Instant Finance

**Funding:** Internal funding

**Participants/ clients:** Instant Finance customers

**More details:** Staff at Instant Finance created a pack ‘All About Your Loan’ in response to a need for the education of customers signing contracts with Instant Finance. Marketing manager Adrian Hatt wrote the information pack six years ago and it is now handed out to every customer who signs a contract with the lenders, even if they are repeat customers. The pack is constantly updated and explains details of a contract in layman’s terms. Mr Hatt says many of his customers could not understand what the terms and conditions of the contracts they were signing were for a number of reasons; and as a responsible lender he felt compelled to help customers understand what their commitment was for loaning money.

Instant Finance, like all money lenders, is governed by the Credit Contracts and Consumers Finance Act 2003. Creating “All About Your Loan” ensures loans meet this act and that staff act as responsible lenders.

*“We don’t have the resources to run financial literacy workshops, but we do take clients through the implications and details of a contract. In a way this is education. I would support any local initiatives around financial literacy. We are a community organisation, we are fully aware of the people lives that we work with because we work and live in their community too. We support several budgeting initiatives nationally and any local things going on we would want to be a part of.”*

- Adrian Hatt

.....  
**What:** Headstart Programmes and INLP Programmes

**Who:** Maryanne Wright

**Where:** Manukau Institute of Technology

**Funding:** ACE and TEC funding

**Participants:** For Headstart Programmes, any student who wishes to participate must be a NZ permanent resident. For INPL, any NZ permanent resident who has high numeracy/ literacy needs who wishes to move towards employment or further study.

**More details:** A number of modules under the Headstart Programmes banner deliver financial education covering a range of topics from credit and borrowing, pitfalls of debt, banks, budgets, contract terms and conditions, creating financial plans and savings, money management and getting out of debt. Each course runs for a total of 20 hours over several weeks. Classes are delivered by a trained Maori lecturer who has experience in budgeting and financial education.

The Money Management (INPL) are free community courses also offered by MIT and involve some practical financial education components relevant to the communities they are delivered in and tie in general life skills like good health, eating well, cooking, etc. These classes are taught for 100 hours over one semester.

Resources for these classes have been created by MIT staff or amended from resources available through The Commission for Financial Literacy and Retirement (formerly The Retirement Commission) and the Young Enterprise Trust. These amendments are necessary to meet the literacy, numeracy and language levels of students and to be relevant to their lived life

experiences of money. The practical projects created by MIT staff also deliver relevance and is a big focus of courses and is why staff believe there is such a successful graduation rate.

*“The available resources are OK, but language barriers prevent them from being understood by students, both because of English and just the high level use of terms. The Young Enterprise Trust has shared resources that have been altered to suit the demographic being delivered to. Most of these resources talk the talk of middle class Pakeha and we aren’t dealing with middle class Pakeha here.”*

- Maryanne Wright

\*MIT Head Start programmes are offered through Te Waipuna Puawai and MIT campus. A small number of MIT students are from Tamaki, but most Tamaki Head Start students will complete their classes through Te Waipuna Puawai.

.....  
**What:** Financial Literacy

**Who:** Puamiria Maaka, Chief Executive

**Where:** Te Waipuna Puawai, Ellerslie

**Funding:** Manukau Institute of Technology provides funding for the course tutor, while Te Waipuna Puawai provides the facility, transport and childcare for participants.

**Participants:** Residents from Glen Innes, Panmure or Pt England enrol to study at TWP purpose built centre. Students need to be over 18 years and are all female. An average of 20 students are enrolled each semester and an average of 18 students complete the programme.

**More details:** Te Waipuna Puawai (TWP) is a Sisters of Mercy New Zealand community development initiative which was established in 1999. In collaboration with others TWP provides tertiary education and personal development programmes, of which the Financial Literacy is a part of. The modules run over one semester requiring a commitment from students to attend three hour classes for two days a week. There is also a fully licensed Nga Purapura Puawai early childhood care and education centre on site allowing children and parents to learn in the same space.

The financial literacy programme has been running at TWP for three years and covers a range of topics from financial fitness, sources of income, budgeting, banking, credit and borrowing to financial protection, Kiwi Saver, consumer rights and taxation. Although led by a MIT trained tutor, guest speakers are invited to many sessions. The teaching resources used are those used and created by MIT leaders.

The 50 hour course is deliberately designed with subjects covered building upon each other to increase confidence and grow capacity in students to understand and participate in money management, budgeting and saving for the future. Debt is a part of each student’s lives and many are caught in a cycle of securing “free” finance through lenders to pay off debt without truly understand the terms and consequences.

The MIT tutor who delivers the module also delivers other modules at TWP, and so already has a relationship with the students. This helps. The tutor is also gifted at breaking down the terms and complexities of finance in a way that students can understand by relating it to lives of the students.

*“The demand for financial literacy was there so we met it. Debt is a part of many peoples lives, there is simply not enough money for these people to live on. Finance is so freely available to people - and these women understand that - but what they don’t understand is the impact of*

*interest and other terms that come with this free finance. It is very easy for people to get themselves into terrible situations because of this impact.*

*“It’s about making informed decisions with the savings you create and being able to explore your options confidently.”*

- Puamiria Maaka

.....  
**What:** Kids@Work

**Who:** Russell Burt

**Where:** Pt England Primary School

**Funding:** TBC – Funding is currently being sought to formalise and expand the programme

**Participants:** All students

**More details:** Kids@Work started at Pt England school two years ago and is still very much evolving. The programme involves students of all ages being involved in either voluntary or paid work at the school. Teachers and support staff can create “jobs” which are then advertised and any interested students can apply by creating a CV and sending in an application via email. The students are then shortlisted and interviewed for the position.

“Jobs” range from bin monitors, traffic patrols etc, (these type of jobs are voluntary positions and operate during school and classroom hours) to gardeners, cleaners, car washers, etc (which are paid positions and operate outside of school hours but still on school grounds)

Primarily the money earned by students is used to pay for the school notebook scheme, Manaiakalani.

The programme is still in creation and being improved as it progresses. It is being trialled at Pt England Primary School with the hope of being rolled out across the Tamaki cluster of schools once ongoing funding is secured and the programme is approved and formalised. The next step is to appoint a staff member to oversee the programme and iron out the wrinkles. Staff are aware of issues around student safety, teaching positive job habits and skills, child labour issues, and extending the programme to teach students about saving, banking and spending habits.

Resources for the programme have all been created by school staff to be relevant for the students’ general literacy and numeracy levels, cultural backgrounds and family life. The resources and financial literacy games currently available are not relevant for Tamaki students and their lifestyle.

*“The principles of Kids@Work are not specific to money, they are more about cultural capital, the idea of moving from subsistence living to building cultural capital. It’s a journey to ownership and I talk about ownership in the greater sense of the word; moving from tenancy to being in charge or owning something of yourself and your life; ownership of your health, employment, education, living, etc. Becoming active citizens – citizenship - is what this is about.*

*“I have a grand vision for Kids@Work, but we aren’t there yet. There needs more work around policy, protocol and safety and funding.”*

- Russell Burt

.....  
**What:** Solomon Group - A variety of literacy, numeracy ESOL and self development programmes

**Who:** Judy Solomon

**Where:** Solomon Group Education, Training and Employment Academy, Panmure

**Funding:** Government contracts – Tertiary Education Commission and Ministry of Social Development

**Participants/ clients:** Approximately 200 mature students currently work with tutors in day and night courses at the Panmure branch over the course of a year. There is capacity for twice that number.

**More details:** All courses focus on students who are at or below foundation level 3. In addition to the established literacy, numeracy and self development education courses which prepare students for further study or employment, Solomon Group has recently started to trial some specific financial literacy courses.

One such course is iwi based and delivered by a trained facilitator of Ngai Tahu with the corporate support of ANZ. The “Money Minded Aotearoa – Skills for the Future” course has been amended from one developed by ANZ in Australia and includes a Participant Handbook with a Maori focus in material and delivery. Solomon Group has evaluated and given feedback including recommendations to Ngai Tahu around how it works with students who have a low level of literacy. This was done with level 1 and 2 students.

Another course Solomon Group has evaluated focuses on the cost of a baby and is supported by Plunket (corporate funders are BNZ).

Solomon Group also works with the East Auckland Home and Budgeting Service in the community. They are setting up office shortly next door to Solomon Group in Clifton Court.

*“We’ve been looking at delivering financial literacy to all of our students for some time. It’s about finding what works best for students at lower literacy levels and securing funding to deliver programmes successfully to these community groups. We are ready to go, but we want to ensure that what we deliver works for the people we serve.*

- Judy Solomon

.....  
**What:** Manaiakalani Education Trust

**Who:** Jenny Oxley

**Funding:** A mix of public, commercial and philanthropic grants

**Participants:** Every Year 5 – 13 student and their whanau in Tamaki

**More details:** The Manaiakalani initiative aims for every pupil from years 5 to 13 to have a computer netbook and, eventually, 24/7 access to high speed wireless. By the end of 2012, 2000 children will have their own laptops and Google Document accounts. Parents at the seven Tamaki schools have to pay a deposit of \$40 for the laptops, and \$15 a month over three years to cover the \$580 total cost.

The initiative started in 2006 and so far not one family has refused to participate. At the end of 2011 funding grants from Te Puni Kokiri and the ASB Community Trust allowed the Manaiakalani Education Trust to be formed.

There are a number of work streams associated with Manaiakalani, and as well as the development of new teaching methods and technology enablers, financial literacy and education is the focus through improved student and family engagement. The idea is to let leaders emerge through the programme, to train them and then let them become facilitators and educators.

The repayment scheme also allows families to build a credit history, and 80 per cent of all families involved are regularly meeting their repayments. All families must also sign a kawa of care document to indicate dedication to looking after the netbook asset and the financial responsibility of the scheme. Increasingly, students are demonstrating they understand the

financial commitment their family makes to Manaiakalani and are helping with payments when and how they can.

*“Again we are talking about citizenship. It is so hard to talk about financial literacy in isolation because it is so interwoven with life. Manaiakalani is not just about accessing the internet, it’s about creating confidence and capacity and showing in a very tangible way how much the lives of families can be enhanced through small actions and engagement through lifelong learning.”*

- Jenny Oxley

.....  
**What:** Tamaki Pacific Financial Literacy Pilot Programme

**Who:** The Ministry of Pacific Island Affairs works collaboratively with nine partners to develop and support the project. The organisations and agencies include the Commission for Financial Literacy and Retirement Income, BNZ, Tamaki Transformation Programme, Comet, Ministry of Consumer Affairs, Tamaki Pasifika, Auckland Council, CareerWorks and Tamaki College.

**Funding:** Contributions from corporate and government agencies allow the programme to be developed and delivered. Some of the major contributors are the Ministry of Pacific Island Affairs, BNZ, the Commission for Financial Literacy and Retirement Income and Careerworks.

**Participants:**

To date 32 Pacific families in Tamaki have been selected and completed the programme in two cohort groups; this includes 20 Tongan families and 12 Samaon families. Another cohort group primarily made up of Tongan church leaders starts mid April and they will complete training to be future leaders of the programme.

**More details:** The Pacific Financial Literacy Programme runs 15 workshops over three and a half months and has been specifically designed for Pasifika people in Tamaki. To date, two programmes have been completed. The workshop sessions and materials are based on the Commissions Adult Financial Literacy Competency framework for Adults and covers a range of topics such as managing income, saving, debt elimination, budgeting and goal setting and end with Welcome Home First Steps, home ownership education modules outlining what participants need to know about buying their first home. Each family in the course is teamed up with a volunteer community coach who is available to meet with them in their own homes to support them through the programme and work with them in their individual needs.

While the programme has a focus on working towards home ownership, it is also about positively changing behaviour and increasing confidence around money capabilities and it’s management. The programme is continually evaluated providing important learning for further development and up scaling of financial literacy support to Pacific communities.

The project started as part of the Tamaki Transformation Programme where the issue of affordable housing for Pacific families was discussed. Housing New Zealand Corporation had reported none of their Tamaki tenants were able to participate in their existing home ownership programmes. The MPIA had previously worked with NZ Housing Foundation in Mangere to identify Pacific families to buy affordable houses being built in South Auckland, however none of the residents were eligible because of high debt levels creating barriers to accessing mortgage finance. This started the development of a Pacific focused home ownership financial literacy programme targeting families who could in future become homeowners.

The Tamaki pilot programme runs for 12-months and includes three Pacific Island cohorts using focused and interactive workshops in Pacific languages and concepts, carefully prepared materials and with strong coaching methods and techniques. Already the delivery of the

programme has been modified to suit the particular needs of each culture, their levels of confidence dealing with financial issues, relevant language issues and literacy levels and spiritual and cultural expectations of money matters.

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