



Presbyterian Support
New Zealand

To: The Royal Commission of Inquiry
Inquiryintocovid-19lessons@dia.govt.nz

Submission: Lessons learnt from Covid 19

Introduction

Thank you for inviting Presbyterian Support New Zealand to make a submission on our lessons learnt through Covid 19. Presbyterian Support New Zealand has a proud heritage of providing social and health & disability services through our branded services of Family Works and Enliven, and in the present day also Lifeline and Shine. We are a not-for-profit charitable federation of seven regional members covering all of Aotearoa. Our vision is for empowered and connected whānau and communities. Our mission is to foster wellbeing through advocacy and support. We have a long history across all our social services of working with whānau who are experiencing - or at risk of - severe material hardship and poverty. Our expert trained Social Workers and Counsellors, Budgeting Service Advisors, and client Advocates provide direct support to children, young people, whaikaha and older people and their whānau.

We may have always partnered alongside the most vulnerable in this way, but from our front line of services we saw Covid-19 really exacerbate the challenges vulnerable people in our community face. It also spotlighted for us the role of government in alleviating the pressures of lockdown and the exacerbation of existing social and economic inequalities. The pandemic therefore forced Presbyterian Support in all regions to not only step up its services in the community, but its advocacy to our decision makers. Since the pandemic [Presbyterian Support New Zealand developed and published four position statements](#) with recommendations to government, on housing, poverty, mental health and dementia – mate wareware.

At the end of 2023 at its AGM the National Executive Officer was actioned to develop a fifth position statement in collaboration with its national service groups, on Family and Sexual Violence. This is due to the ongoing identification among our Family Works teams, of family harm created by lockdown and other pandemic policy settings, among more of our clients.

Our services gained gravitas in response to increasing complex needs in our communities. Our workforce had to meet and overcome significant challenges over the period to ensure our best practice in delivery of care to people living with trauma, physical and mental distress, and living in chaotic situations.

The pandemic created resource pressures, disrupted routine and elective care and restricted access to services on which our clients usually rely. The Government's policy decisions made immediately or early during the pandemic, and disruption to otherwise unrelated operations inside the public health system, will continue to have impact on those we serve for a long time after this pandemic has gone. Most of those impacts will be on their mental health, financial capability and whanau ora, but among older people this heightened complexity will cause massive operational challenges for the Aged Care

Sector looking forward. We anticipate across all our services that we will be serving a 'long tail' of Covid related complexity, which will also impact New Zealand's education, mental health, family harm and economic outcomes, intergenerationally.

We have divided our submission into two parts. The first is a compilation of excerpts from our Position Statement on Poverty, which provides analysis of government's policies during Covid and their impact on those we serve, the poorest New Zealanders. The second part is a timeline of operational issues and concerns as they arose for our Federation, as recorded in our national Executive Group and national service group meetings from Covid's beginnings to the present. As we were given few terms of reference for this submission, we hope that in these two parts we can most clearly put forward all that can be learnt from Presbyterian Support New Zealand.

Part 1.

Excerpts from our [Position Statement on Poverty](#) published October 2022

Government's response to Covid 19 was not fair to the poorest New Zealanders:

Alongside many of the clients we serve, we do not accept that New Zealand's beneficiaries already receiving financial support from government deserve any lower rate of income than those employees, forced to stop work during the lockdowns. All households in New Zealand should be granted incomes that can afford hauora and escape material hardship. We do not accept that New Zealand's businesses, when receiving subsidies from government, be treated with impunity while Work & Income's regular clients – New Zealand's most financially vulnerable – are placed further and further in debt due to business as usual policy.

We accept New Zealand government showed truly outstanding strategic leadership, for our population to outdo most other nations to date in preventing Covid's outbreaks, preventing deaths from Covid and then mobilising to get 90% vaccinated. Economically, a majority of New Zealanders benefitted in the short term from government's pandemic response, but Covid-19 also exposed government's inequitable approach for those living on welfare payments and highlighted the inequalities of our market-based economy.

Generally New Zealanders agree the government has done a lot to soften the blow of Covid 19 for the economy. But NZ's economic distribution statistics reveal how this has transformed over the last few years since Covid outbreak. While government's leaders have been appealing to the public value of fairness as a principle of their policy-making and decision-making during the Covid period, the shifting wealth and heightened financial inequality documented by Stats NZ reveal anything but fair outcomes from their economic policies.

We purport that the inconsistent nature by which government treats its business-end subsidy recipients compared to its most vulnerable ones with proven material hardships, exposes where the kindness stops, and true meanness comes into play. From the onset of Covid 19, Government presided over policies that engineered a massive transfer of wealth, from current and future renters to asset owners.¹ Analysis of official figures from Stats NZ show an "explosion" in income inequality since the onset of Covid, as the Government's interventions helped make asset and business owners (more likely to be one and the same) \$952b richer since December 2019.² Renters missed out on that asset growth and have been hammered with real wage deflation and rents rising faster than incomes. The poorest

¹ Hickey, B. Covid's Winners and Losers revealed, The Kākā podcast, January 25th 2021. [Covid's big winners and losers revealed](#) (substack.com)

² Ibid

are now \$400m more in debt (to government itself) and need more than twice as many food parcels as before Covid.

The Government's Wage subsidy scheme ensured that not many people lost their jobs, but -

While jobs were maintained, the scheme poured money into the business employers' accounts – according to one investigation, by January 2022 almost \$20billion – in the form of wage subsidy payments and resurgence payments.³ We understand this policy was created in a hurry, to prevent a mass exit of workers from the workforce, as businesses were forced to close their doors in lockdown. While we agree that the outcome of the alternative scenario – a surging unemployment rate with spiralling impacts that risked a national economic depression – needed to be prevented, our services worked with many beneficiaries who were appalled to hear their payments were much less than the lockdown payments for Covid-impacted employees. Their own benefit payments leave them subsistence-buying, on more frequent occasions, so government's message to stay home and 'shop only when you have to' was hard for them to comprehend. While the majority of us rushed to buy bulk goods we needed to get by at home during lockdown, we drained supplies and left this already vulnerable minority of beneficiaries going without these goods during long periods. Not only were they exposed more often to Covid 19 from subsistence buying practices, the material hardship was pronounced and unfairly distributed.⁴

The speed at which government's business subsidy scheme was developed and implemented left it with many omissions of regulatory standards. Businesses small and large were provided the payments, without any means-testing for need and regardless of some businesses' large shareholdings and reserves, which government should have encouraged all businesses to deploy. We understand that the swiftness of implementing the measure provided a great boost in business confidence to many at a time when there was the potential for wide-scale business panic. However once the initial period was over and the economy showed it had rebounded well, government failed to evaluate and redress the scheme's regulations, most notably failing to consider charging businesses back for the payments, at least those businesses showing a profit in this same period.

The difference between the benefit system and the business subsidy scheme is govt's treatment:

All beneficiaries understand, New Zealand's benefit system is based on the principle that if government provides a grant to a recipient in need, it expects for it to be paid back, with interest. It is also based on a principle that government does not provide such grants to anyone but those in need. The government never included pay-back clauses to the business subsidies however, and most businesses took government's wage subsidies and resurgence payments and never paid it back.⁵ Government has not demanded for them to: we purport this exposes an inequity in the treatment of government's business recipients and its regular population of beneficiaries.

By contrast, New Zealanders who rent and who don't own any assets or have no reserve cash in the bank have not benefitted in this same period. Government did provide new subsidies and increase their provision to beneficiary applicants for cash grants from \$3.1billion in the 19 months prior to Covid, to \$3.23billion the months following Covid's outbreak. This increase of around \$13million is a fraction compared to the \$18.1billion increase in subsidies to businesses. Furthermore government continued to apply its principles of beneficiary support to their regular clients, and as a result many beneficiaries found themselves with increasing debt to government, as the pandemic's conditions left

³ Ibid

⁴ Hickey, B. [The real impact of New Zealand's economic response to Covid-19 | The Spinoff](#) | The Spinoff

⁵ See ['Timely' wage subsidy review due in 2022 \(newsroom.co.nz\)](#)

them with more need for grants, and less capability to pay these back, let alone the interest accruing on them.

Through Covid, beneficiary debt to government has risen by at least \$400mill to \$1billion.

This inequity of government treatment between the business sector and their beneficiary clients through Covid 19, has caused their even greater wealth inequity. Access to payments were based on an initial declaration from business applicants that their revenue was down more than 30% than the previous period. Over periods since March 2020 however, we have seen many businesses recover and many even report profits to their shareholders at the end of their financial years.⁶

Meanwhile, the working classes of New Zealand without assets such as their own home or shares, have experienced a deflation on their income as the cost of living has risen rapidly during the Covid period. Wages are rising on average about 2% while inflation is rising at a higher average rate around 6%.⁷ As a result, more New Zealanders are living hand to mouth even if they work, are increasingly experiencing food insecurity and needing social support from services like ours to cope with the stress impacting their households.

Demand for our food parcels continues to rise, and we are not alone.

The impact of Covid 19 has exacerbated food insecurity among New Zealand's poorest: it was reported more than fivefold increase in demand for food parcels in the ten years between 2011-2021.⁸ There were also dramatic increases in the hardship assistance given by the Ministry of Social Development. The number of hardship assistance grants was steadily increasing each June quarter until June 2018, then jumped from late March 2019, reaching a peak of 72,000 Special Needs Grants made weekly in April 2020.⁹

Pre-Covid figures from the Child Poverty Related Indicators Report showed that 20% of children aged 0-15 years already lived in households reporting that food ran out 'often' or 'sometimes'.¹⁰ In 2020 the Growing Up in New Zealand survey¹¹ found that almost half (49.3%) New Zealand's mothers at the nine-month interview stage reported they were forced to buy cheaper food so that they could pay for other things. One in eight (12.2%) said they made use of special food grants or foodbanks in the past year and a similar proportion (11.5%) had gone without fresh fruit and vegetables to pay for other things. One in four Māori nine-month olds and almost one in every three Pasifika nine-month olds lived in households that reported use of a foodbank or special food grant.

Food Insecure homes have higher rates of asthma, obesity, impaired learning and development/behaviour concerns, than Food Secure homes.¹² Food Insecure homes have lower rates of meeting guidelines for fruit and vegetable consumption, than Food Secure homes. 16% of Food Insecure homes

⁶ Bernard Hickey, Covid's Winners and Losers revealed, The Kākā podcast, January 25th 2021. [Covid's big winners and losers revealed](#) (substack.com)

⁷ Ibid

⁸ Child Poverty Action Group Statistics 2021 <https://www.cpag.org.nz/statistics/auckland-city-mission-food-parcel-demand> See also Stuff's 2023 article <https://www.stuff.co.nz/timaru-herald/news/129337880/emergency-food-parcels-numbers-skyrocket-since-pandemic>

⁹ Ministry of Social Development Evidence Brief, July 2020. The impacts of COVID-19 on one-off hardship assistance. <https://www.msd.govt.nz/about-msd-and-our-work/publications-resources/statistics/covid-19/impact-on-hardship-grants.html>

¹⁰ Department of Prime Minister and Cabinet, May 2021. Child Poverty Related Indicators Report (2019-2020) <https://www.dpmc.govt.nz/publications/child-poverty-related-indicators-report-2019-20#reporting-on-the-child-poverty-related-indicators>

¹¹ See Growing up in New Zealand for Key Findings: <https://www.growingup.co.nz/growing-up-report/food-insecurity#Key-Findings>

¹² Ibid

had concerning scores on the “Strengths and Difficulties Questionnaire” which screens for social, emotional and behavioural difficulties, compared to just 6% in Food Secure homes.

Part 2

A time-line of PSNZ’s learnings through a review of its national service group minutes

The Federal structure served collegial support and information sharing from region to region.

PSNZ is the secretariat for the federation’s two governance groups, Māori advisory group and six managerial service groups. Minutes are taken for each group meeting across the year by the national executive administrator and a report to each group is given by the national executive officer, focusing on collaborative opportunities and serving as a conduit of information between the varying group levels and agendas.

Regional reports inform national risk analysis and mitigation, learning, agility and adaptation.

The National Executive Group (NEG) put Covid onto PSNZ’s risk register in the middle of 2020, after the Enliven Managers Group (EMG) identified in March it could impact our services and staff severely, far beyond the immediate lockdown and pandemic settings. Risks and mitigation of risks were first minuted at their March 2020 hui, then NEG’s in July with some initial questions discussed as a national group:

- Do well staff have the right to refuse to work? *We have an obligation to keep our staff safe. Better results if we communicate well.*
- Will we pay for employee’s self isolation?
- Can we use learnings from Norovirus, although a shorter incubation? Coronavirus is longer - 2 weeks. Another example when the cold chain broke in regions. Staffing issues arose.
- Pandemic plans to be submitted to DHBs. No interRAIs and penalty during that period. We should all have PPE for 3 days supply.

In August some Communications, Fundraising and Marketing (CFM) managers noted their strategies had been impacted by Covid causing teams to pivot and respond to loss of giving in the community, and the search for new grant/contract opportunities. This group reported varied adaptation to working from home policies, including challenges to get some staff online from home, or with adequate devices. Many central office staff of the regions redeployed to Enliven centres to make up the shortfalls in staffing.

Despite this risk analysis for PS fundraising and Enliven services, among the Family Works Managers Group (FWMG) there was a lot of pride initially, in how teams adapted to the lockdown to ensure clients – particularly child clients – maintained a consistency of care. There was significant adaptations and innovations to ensure this happened: For example in Southland one facilitator finished off her parenting programme with 10 parents by transferring from class-based to individual-based learning. Technology was a big issue for Family Works teams: maintaining clients while working from home – clients often in greater conditions of need created by lockdown and pandemic - was a new challenge. New regulations and the need for new knowledge to provide webinars and zoom hui for clients required extra expenditure.

The group noted the offers from Oranga Tamariki and Ministry of Social Development of extra support. The group acknowledged how suddenly funding agencies were pivoting to high-trust low-detail funding in the wake of Covid, with speculation this could result in more longterm contracts working this way in future. It was noted this was a potential benefit to the charitable sector, as current standards for reporting and current levels of contracting left the Sector highly competitive and in a constant cycle of reporting to varying agencies.

The timeline from here is divided into 6month intervals to support budgeting and funding recommendations coming out of this Inquiry.

By the end of Calendar year 2020

The EMG kept Covid on their agenda from September, noting that it was driving some service innovation but in all regions staff were recognized as becoming “very tired and stressed”. Further learnings were noted:

- our buildings were designed poorly for a pandemic, inadequate for distancing operations
- building inadequacies contributed to inadequate staffing numbers for meeting service standards
- more risk surrounded our high dependency on international staff with work Visas. While lockdown created safety for current international employees, the risk was identified that recruitment for more would be challenging the longer Covid continued to affect the border.
- At PS East Coast a new Day Programme introduced with fees for service was severely affected as the pandemic impacted demand. Fees for service programmes were discussed as unfeasible through pandemic, severely impacting social investment strategies in each region.
- Many of our older volunteers had reassessed their lifestyle and left volunteering, to reduce their own risk exposure and keep contacts limited to their family bubbles. Many had moved away from volunteering to find paid work as household incomes and economies shifted during lockdown settings
- Our community support services such as SupportLink in Southland, which are majority run by volunteers, would take a dramatic reduction just as the need is perceived to be greatest and growing, due to the pandemic
- The socialization and connectivity needs of the residents and at-home clients alike were at front of mind across all Enliven teams. Staff had to become very creative and flexible: in an Otago home the Activity Coordinator kept all of the church services running by herself; in another Otago home they ran Housie down the ward corridor so that residents could remain distanced. Residents were taught how to attend video calls so that family members could keep ‘visiting’.
- There was a huge onslaught of calls from whanau to our homes, creating a massive new workload for staff already under pressure from new conditions and changing settings.

The CFM team noted a heightened interest from clients during and after Covid lockdowns in our foodbanks, with supplies running out and greater need for focused Foodbank fundraising appeals. For PS South Canterbury, for instance, demand for foodbank doubled with 170 parcels handed out in just one month, creating need for an emergency foodbank appeal, raising \$20,000 to help get it through the Christmas demand. CFM members all noted heavier workloads to raise enough money to service demand.

The FWMG began noticing dissatisfaction and difficulties among staff teams as the burden of isolation, new education policies and Covid related factors began to make cases more complex on a case by case basis, adding to the usual workload while revealing heightened demand for services in the community. Regions noted inconsistent responsiveness from government contractors to this condition. Over all however the Family Works Managers remained positive, proud of their capability to adapt to the changing conditions caused by Covid.

Some regions noted that as workforces were able to return to work, sickness increased after so much isolation from each other. On the upside, workplaces had been able to refresh staff knowledge-bases with new technology and internal communications facilities. PS Northern also reported receiving new

funding from the Ministry of Justice to support their technological upgrades for Family Works and Enliven staff.

PS Central had launched an immediate community assistance programme over the first winter with Covid, including a care parcel, carer calls to isolated people and good support, with a focus on older people in the community. The region received funding from MSD to roll this out, however timing of their application and MSD's confirmation of funds was highly discrepant leaving the programme rushing to spend the funds by the end of financial year.

By the start of financial year, July 2021

The EMG noted that vaccination advice from government was changing on a daily basis and time was spent at their meeting to develop a best practice model together to follow, regardless of Ministry advice. The group noted public health policy development may not be served by centralization, particularly in times of disaster planning and management. Ground level operational knowledge of the contingencies across regions was necessary and the EMG agreed their own collaborative troubleshooting of practices at the meeting took these into account. Members left the meeting with greater confidence.

The government's vaccination policy and regional roll outs with staff was discussed also, as it was causing a lot of resistance among some staffmembers, with no help by government to encourage them. This was causing a 'huge turnover of staff' first noted by this time specifically in PS South Canterbury and Northern regions. PS Central's Enliven Manager suggested there was active poaching of nurses by the local DHB in her region, a shortage of vaccinators and vaccinated nurses was starting to emerge. PS Otago and East Coast manager noted that recruitment of registered nurses was now a serious issue:

- innovations were being implemented at PS Otago to tackle the 'drying up' of their on-site CAPs programme
- Looking at holding seminars to recruit NZ nurses
- Looking at paying managed isolation and accommodation of international RNs for the first month
- Looking at paying staff one hour to have their vaccination
- PS East Coast had developed a recruitment campaign
- Day programmes no longer financially viable but incredibly important in the rural areas, so some regions shifting from 'mostly aged care' programmes to those focusing on dementia, taken up at higher rate.

By the end of Calendar year 2021

At this time, Auckland was in twelfth week of lockdown. The PS Northern Enliven Manager reported that "Covid is consuming us". Fifty-five of their staff still refused to vaccinate, while home-based Enliven services were developing a strategy to overcome Covid in the community with the six DHBs.

There was by now staff shortages across all regions, and not only in aged care workforces but throughout office and leadership teams of each region. The vaccine mandate is reported to have had a massive negative impact on all regional staff numbers by this time. In PS South Canterbury, one who was resistant to vaccination was actually a Nurse Manager, while 20 remained unvaccinated: in a small staffing team like this region's the impacts of this were felt across the entire organisation.

Enliven Managers were noting tensions between vaccinated and non-vaccinated members and residents. A lot of effort was being taken to ensure staff were receiving vaccinations, creating a cost to the general capacity. Still more programmes and services were impacted by staff shortages.

The CFM put recruitment and retention on their November agenda, to share regional collateral with one another in the hopes of reducing design and production costs among those regions still developing

them. All regions were challenged with developing recruitment and staff promotion resources. Regional internal communications strategies were shared also, to ensure the best measures were being taken to reassure and retain staff. CFM requested a national recruitment drive for all of PSNZ to be pitched to the Human Resource Service Group (HRSO). At HRSO's meeting, however, the idea was deferred due to no capacity among the team members for national collaboration, while regional demands were keeping them so busy. Some regions reported having to hire larger Human Resource teams to handle the high turnover, bigger workload in recruitment, screening and interviewing. Regions with ARC facilities were also being impacted by the shortages of assessors at their DHBs, leaving them with low occupancy numbers, due to back log of assessments. It was noted there was a lot of poorly coordinated urgent referrals coming out of the hospitals, creating more work for us as providers.

All regions were now lamenting the tiredness / exhaustion among staff, noting that the prevention of burn out would need proactive strategies. PS Central posted a notice in its newsletter to funders and donors, to come and donate help at their homes. PS Southland reported being six FTE RNs down and then four more in isolation with Covid, creating a major disruption in capacity for aged care in the entire region.

Managers discussed how to support tired staff when taking leave was no option, due to staff shortages on hospital-level floors of service. One region was increasing its Health & Safety Xmas voucher to staff. More regions were offering 'wellness days' for staff to take before June.

Most regions were now agreeing that some of the staff shortage was due to poaching by their DHBs and also local for-profit providers. PS Central also noted they had lost people to better salaries in Australia.

PS Otago reported development work on a Workforce Strategy to increase CAP nurses, recruitment from overseas, hiring back those that had been lost to DHBs as vaccinators, and supporting Care Workers to gain registration, upskilling existing workforces. This region also reported discussions at governance level about moving into social housing and expanding their retirement villages to give a stronger financial footing going forward, that wasn't so vulnerable to the staffing issues caused by the pandemic.

Day programmes continue to be impacted by Covid. PS Upper South Island report moving to separate services to continue working with unvaccinated clients. The EMG identify loneliness and isolation among older people living alone as an issue now that will culminate in poorer health and mental health outcomes long term for this population.

By the start of financial year, July 2022

RAT testing for the home-based care providers were no longer ordered through central supply and so regions providing these endured more impacts to their services. They had to now go to DHBs for emergency supplies or to community testing centers. It was noted by more EMG members that the pressure on hospitals was impacting their quality of assessment for older people, some being pushed into home-based care due to wrong assessment or without being given adequate resources. All regions noted the extra work involved to do contact tracing for clients.

Staff exhaustion was now reported across all regions. Committed staff were being asked to pick each other's kids up or drop off at school and doing longer shifts.

The nursing shortage had impacted our Enliven services so much so that the NEG developed a correspondence campaign to Minister Andrew Little and all DHB executives about it. They then lamented at their NEG meeting there had been very little response back to their correspondence. The nursing shortage is not simply a result of the pandemic, it was noted, and it was known already that the ageing population was always going to increase demand for nursing staff. While there was no pay

equity for aged care nurses, and no pay parity for nurses at large, the Aged Care Sector would have gone into crisis regardless, and Covid only brought forward what was always inevitable. EMG and NEG discussed the risk that the pandemic had forced the halt of all non-Covid related procedures throughout the public health system. This would create backlogs of need that would impact the general condition of clients going into aged care for decades to come.

The regions were varied for now in their reports of experiencing a 'long tail' of Covid:

- PS Upper South Island report their Day Programmes are increasing in capacity again, but PS East Coast still with reduced numbers/losses on revenue.
- PS Central however (with ARC as their focus for Enliven services) reported closing the Chalmers Home in Taranaki between Christmas and New Year, moving 13 people. More homes were also closing due to no staff: the Huntly home in Karori was on restricted admissions, with particularly trouble recruiting nurses there because of the cost of housing. All business as usual communications and marketing is put on hold in the Central region to deal with the impacts of Covid on its ARC facilities and focus on the communications related to residents, visitors, complaints and conditions surrounding visitation. An orientation video is produced for volunteers to support consistent service through the staffing crisis.
- PS Northern lost 35 staff due to the vaccination mandate, mainly in the Bay of Plenty area. PS Otago lost 42 staff in this period, most of it down to exhaustion and competitive salaries paid elsewhere. They are 'desperate for RNs' and looking at all options to recruit into Otago including roster patterns, 12-hour shifts, employing for Social Workers to do some of the managerial work. As a result the Dec/Jan occupancy rate took a dive for this region, impacting revenue.
- PS Southland is locked down for two weeks due to one resident having Covid and exposing staff.
- Some regions were looking at storage containers to hold bulk stock to mitigate issues around delivery and supply chain disruptions. For example, RAT tests were not being supplied due to a courier issue.
- Not all regions reported having enough RATs or N95s to operate according to the latest instructions. All regions were agreeing there was tremendous amounts of extra work to ensure staff were completing the RAT testing according to requirements.
- Closures of facilities and poor bed rates were impacting expenditures for regions providing ARC. Due to the lack of contractors, unfinished property projects were impacting budget forecasts.

By the end of Calendar year, 2022

The struggle to recruit continues, with Services offered for fees making a loss despite the requirement to vaccinate being lifted for staff. PS Northern, East Coast and Southland report shortages of their Support Workers, while PS Upper South Island report gaps in their community staff – Social Workers and Counsellors. PS South Canterbury report a vacancy for an RN position that had remained unfilled for weeks. PS Southland report they have only 13 RNs (normally hire 40-42) while PS Central report being 40 RNs down. They also report they are not taking admissions, and 300 ARC beds are currently closed due to staff shortages across the board.

Despite losses in revenue, regions report increasing some salaries and allowances to retain staff. One of the villages in Otago was redeveloped to provide on-site housing for staff. PS East Coast report their major contract for home support are not meeting volumes.

By the start of financial year, July 2023

Two regions continue to claim their nurses and other staff are being proactively poached by local DHB, while two more report staff challenges, particularly in recruitment. During recruitment, four regions note candidates are in such high demand they often don't show up without informing us. In PS Southland and Otago, housing continues to be a major barrier to securing recruitment. PS Otago report closing their D6 ward and re-opening as hospital level care only, due to staff shortages. For PS Northern and East Coast, Day Programmes continue to remain unfunded/not break even.

Special efforts in recruitment and retention are discussed as a special agenda item on the EMG agenda. It's agreed the collegial support and troubleshooting provided around this national group's table is more helpful than government's policy on workforce issues. The following methods are being used by at least one region, their success to be monitored in the likelihood more regions can adopt:

- Extra day off – wellness days
- Health care insurance paid
- Vouchers given away for good performance
- Valentines day cookie/ Easter Hunt and quiz/ xmas dinners/ birthday leave
- Challenges/ competitions and prizes
- Fruit platters sent to teams
- Pedometers from EBOS
- Sick leave banking
- A whole of staff group function
- Branded lunchbags/ umbrellas
- Clothing swap – money going to volunteers
- Quiz/bingo nights

At the end of Calendar year, 2023

The lasting service fallout from Covid is the impact on our Day programmes, with light enrollments and disruptions caused by sickness and self-isolation continuing in most regions, creating havoc with staff rosters. Across New Zealand Enliven reported 7391 regular attendees to its Day Programmes at the end of financial year 20-21, provided in mostly remote areas of New Zealand to combat loneliness and isolation in these rural communities. At this time more regions had been thinking of growth in this service area, because of the proven benefits and overwhelmingly positive reviews from clients:

“The Tōtara club is my tie to humanity”

Example of common review of service from an attendee in Christchurch

At the end of financial year 21-22 however we had dropped to under 1500 attendees across New Zealand. Collated regional figures at the end of financial year 22-23 reflect that some regions have picked up the service again after suspending them or postponing their launch, but attendee numbers have only risen to date to 2264.

PS South Canterbury had three late Covid outbreaks in one quarter, causing huge rostering disruptions and leaving remaining small team of exhausted staff to a stage of potential burn out. It was thought by many EMG members that the removal of Covid restrictions was premature and government should have waited until after Winter.

Conclusion

On review of our funding received by government over the pandemic period, there is ongoing shortfall as the value we add as an essential service for vulnerable New Zealanders continues to exceed the funding we receive. This puts pressure on us to invest monies from our own reserves or in services which target fee-paying customers. Such efforts to increase our revenue through these higher-income clients work counter-intuitively to our charitable purpose, leaving less resources for our core services, targeting those who cannot afford to pay. Already in 2020 the regions' own social investments were approaching the funding amounts we received from government:

Financial year:	Funding from central and local govt bodies:	Revenue from our own social investment:	Funding from donations and philanthropic gains:	Total expenditure for our charitable services:
2020-2021	110,625,197	100,491,000	7,988,922	216,670,039
2021-2022	135,875,279	112,839,366	8,252,353	207,527,929
2022-2023	126,950,946	100,709,578	9,547,377	237,207,901

In almost every region our Fundraisers are saying it is getting harder to raise funds in the community.

Despite all extra efforts including developing a national bequest campaign (2021-2022) and other extra appeals implemented by regional teams, donations and philanthropic gains from the community rose by around only \$1mill year on year throughout the pandemic period. A common reason given are the higher costs of living and thereby the lower disposable incomes of our would-be donors in the community. The CFM noted that given the rising complexity of need there is a growing multitude of charities just like us, desperate for support from grant providers and appealing to our communities, making the giving environment a more competitive one, even when there are more grants available. More than ever, we look to government's leadership to close the gap in funding.

Our commitment to prioritising our people has been a significant financial challenge.

During this pandemic period the loss and turnover of staff dramatically increased costs of recruitment, induction and orientation. For example in the last financial year (2022-23) we accumulatively invested well over \$800,000 on these costs, and on staff professional development and supervision regions spent over \$773,882 accumulatively. We invested heavily again on volunteer recruitment and staff wellbeing measures. None of these costs are factored adequately into our government contracts, but were considerably higher during this period, due to the complications created by pandemic policy settings.

The demand for Presbyterian Support's services is beyond our organizational capacity.

We are not alone; the entire community and voluntary sector is in need of significant government support and investment. In Comvoices 2022 State of the Sector Survey 74% of respondents from across the community and voluntary sector noted the rising demand for their services:

“The pandemic's impact on clients left respondents acutely aware of a rising complexity of need, due to compounding of factors such as food insecurity, spiralling debts and mental anguish hurting relationships within households. Many respondents noted that static funding

levels left their staff and volunteers often working overtime or unpaid to maintain the same level of service, which was creating distress and exhaustion among teams.”¹³

The Comvoices State of the Sector Survey also supports our finding that there is a huge and growing demand for charitable services and the social cohesion they provide community, that isn't currently met. But counter to this evidence-base from community organizations' experience through the pandemic, the social isolation measures in New Zealand meant we lost volunteers and to this day, we're waiting for them to return. At a time of increased need the loss of our older volunteers has strained our resources and we also see it hurting the social cohesion of our society.

Covid 19's impact on other sectors had flow-on impacts for our sector, and our clients.

For some examples:

- not enough mental health services left us often serving clients with unmet mental health needs;
- halted public health services during the pandemic meant many older people are in worse or prolonged conditions affecting their wellbeing, making more complex and acute their need for our aged care services when they first present;
- lockdowns forced households to shuffle and reconsider viable incomes across family members to continue to make economic ends meet, which left us with a huge loss of volunteers, a workforce we are heavily reliant upon;
- pay inequity across our sector and the lack of pay parity for our predominantly female workforces meant we were extremely vulnerable as employers;
- shutting the borders left us without new human resources to easily recruit, as we lost staff and volunteers and there a shortage of talent, acutely felt in rural areas where some of our centres are placed.

As we note impacts for us from policy settings for neighbouring sectors, we imagine they in turn might note flow-on impacts from the policy settings for the social sector, children and young people's sector, and the community and voluntary sector.

Our experience and our federal structure lend intelligence that should be given greater value inside government.

Responding to a global pandemic requires robust partnerships, collaboration and coordination at all levels between government, non-government, business and philanthropic agencies. Ideally these should be nurtured during 'business as usual' times and interactions. We are non-government, community-based, yet we feel that as one of New Zealand's longest and largest social service organizations, our contribution to the knowledge base during the pandemic should have been far more highly valued. To the contrary, like the majority of community and charitable entities:

- we were not invited at strategic levels of government's pandemic response:
- nor invested in any more highly without significant advocacy efforts taken by our leaders within the organisation, and usually amounting to ever only one to three year – not longterm – gains;
- nor was our front-line monitoring of impact (minuted at national service group level, but reporting from seven regions) taken into consideration with any systematic process, before any of the government's ongoing policy decision-making.

¹³ Rice and Stone, [State of the Sector Survey Report 2022. Comvoices, 2022](#). Comvoices, 2023. P14

We hope this inquiry into the lessons learned from Covid 19 concludes similarly and makes these recommendations to government. We know that connected communities with strong leadership, networks and resources can initiate effective local responses, foster community involvement and more readily access support. Developing active involvement of clients within decision-making processes and community activities will contribute to both their personal – and the community’s - resilience. Similarly, developing strategies to involve community organizations within decision-making processes will contribute to their service capability, and thereby also the community’s resilience.