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Reporter

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SPRING 2015



Community Finance Worker Jodi with Olivia.

An alternative to the cycle of debt

A new low-interest loan scheme is helping people get work and move off benefits.

Olivia, a single mother of three young children, works with children with special needs. Long shifts mean she has to be available between 7 am and 11 pm. But when her car reached the end of its life, Olivia worried that she might not be able to stay in work and off the benefit.

Olivia was already working with a Salvation Army budget advisor, who told her about a new low-interest loan called StepUP being offered by The Salvation Army. Olivia was helped through the application process and the loan she received enabled her to buy a reliable car.

The Community Finance initiative is a partnership between BNZ, not-for-profit Good Shepherd, the Ministry of Social Development and The Salvation Army. It is aimed at workers on low incomes and beneficiaries unlikely to qualify for loans from banks.

'I knew I couldn't get a loan from a

bank but I didn't want to return to the benefit,' says Olivia. 'I'd been off the benefit and working for 18 months.'

The affordable loan scheme is being piloted by Salvation Army Community Ministries in South and West Auckland. It offers StepUP low-interest loans of between \$1000 and \$5000 and No Interest Loan Scheme (NILS) loans up to \$1000. There are no fees. It is an alternative to third-tier lenders, which have trapped many Salvation Army clients in a cycle of debt.

Salvation Army Community Finance Worker Jodi Hoare says the loans have been used to buy cars, household appliances and furniture, through to paying for car repairs, funerals and dental work.

She says many clients have used the loans to purchase cars—a requirement for many jobs in Auckland where travel distances can be great and work hours not conducive to public transport. But loans for seemingly small things could also be life changing.

Developing people's financial

literacy is a central component of the loan application process. Working with The Salvation Army, clients are helped to closely examine their income and expenditure to get a full understanding of any existing debt, its hidden costs and how to better manage repayments.

Jodi says third-tier lenders have punishing interest rates and penalty payments. She cites one loan applicant who was paying 360% interest to a pawn shop after she failed to repay the loan within the required four-week period.

The car loan and support Olivia received has enabled her to keep a steady job as well as working as a teachers' aide at a school for special needs children. She now intends to study for a qualification in this field.



Your financial support ensures that people like Olivia receive the wraparound services they need to become successful money managers. Find out more at www.salvationarmy.org.nz/loans

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Helping women tackle the tough stuff



Better self-esteem, a new lease of life and even the courage to address unhealthy relationships have all been part of an expanded Salvation Army life skills course for women.

The Salvation Army Life Skills for Women course has already helped 60 women, and is expanding thanks to new funding from Johnson and Johnson Medical.

Community Ministries National Practice Manager Jono Bell said the course teaches financial wellbeing, women's health, building strong relationships, dealing with stress, goal setting, and improving self-image.

It was able to expand at the start

of the year thanks to a donation from Johnson and Johnson Medical, which is providing \$90,000 to run the course in Manukau, Hamilton, Rotorua and Christchurch for the next three years.

The course is already showing positive results, with 85 per cent of the women who've graduated saying it was helpful. One woman described it as giving her a new lease of life.

'This programme has taught me and made me aware of things in my life I already knew of, but just needed encouragement, advice and direction for,' she says. '[It] got me back into a group environment and gave me confidence to speak freely and express my opinions.

It gave me a new sense of direction that I can work on for me and my family's wellbeing. Thank you!

The eight-week course works with groups of 10 women who are already being supported by The Salvation Army or feel they would benefit from strengthening their skills to thrive in life.

“ This programme ... gave me a new sense of direction that I can work on for me and my family's wellbeing. ”

Groups meet weekly with a trained facilitator and external experts, for two-hour sessions. Alongside other classes, some weeks they also participate in a cooking class offering recipes for tasty, healthy and cheap meals and giving the group the chance to enjoy cooking together and sharing a meal.

The course can also help women identify areas where they need more in-depth support, Jono says, with 22 women having received further one-to-one budget advice after the programme.



One session with a budgeting advisor to help devise a workable budget, negotiate realistic debt repayments and provide guidance on planning for the future costs on average \$56. Please donate today.

Half a million loaves to feed the hungry

A loaf of bread was at the centre of a ceremony in Wellington last month as The Salvation Army thanked Goodman Fielder for donating more than half a million loaves to feed Kiwis in need.

Goodman Fielder Cares Trust chairman Ian Fraser handed over the 500,000th loaf to Salvation Army Community Ministries Secretary Major Pam Waugh at a Hutt City playgroup, which uses the bread to feed 150 pre-schoolers and care-givers each week.

The trust has been donating specially baked bread to 10 Salvation Army Food Banks weekly, since 2006. The donation helps the Army provide about 55,000 food parcels a year and was greatly appreciated by clients and staff, Pam said.



Major Pam Waugh, Ian Fraser and Nicholas Lysaniuk.



Diana Adlam with donated blankets and hot water bottles. Photography: Rotorua Daily Post.

Sallies combat winter gloom

Rotorua is a provincial city that is facing big city problems.

As elsewhere in the country, Salvation Army Community Ministries in Rotorua is seeing a growing crisis of a lack of safe and affordable housing. Some of this demand has come from a spike in women and their children escaping domestic violence and low-income Aucklanders moving to Rotorua, as well as other towns in the central North Island, seeking cheaper housing.

Community Ministries staff are providing emergency food support, budget advice and advocacy, as well as connecting people to housing providers. The Salvation Army is also part of a local housing action group looking at long-term solutions to the housing crisis.

In winter, an additional challenge is that lower rent housing often comes with poor or no insulation and damp and draughty conditions that are prohibitively expensive to heat for households with little disposable income.

In a desperate response, Salvation

Army church member Diana Adlam launched a drive for blankets for clients.

Rotorua Community Ministries Manager Shelly Fischer says the health implications of living in cold housing can be devastating. One working client's home became infested with black mould, leading to his baby spending days in hospital with a lung infection. 'Houses aren't insulated, so windows are kept closed to keep the house as warm as possible, condensation forms and mould grows. Then you have worsening asthma, lung infections, coughs and colds,' Shelly says.

A rise in the number of women seeking help escaping from domestic violence is a mounting concern, especially as Rotorua has no short-term emergency accommodation.

Initially, The Salvation Army identifies short-term solutions to people's housing needs, while looking for better, long-term answers. The Army also provides parenting, counselling and life skills programmes to help people re-establish themselves. Social workers and advocacy staff help people negotiate

their journey with Work and Income, Child, Youth and Family, other support agencies, and sometimes employers.

Pressure on Rotorua's social services is not an isolated problem says Salvation Army Community Ministries Secretary Major Pam Waugh. In the last year, the Army has noticed an increase of multiple families living in one dwelling and some families living in vehicles—particularly in central North Island towns. 'For a while, we have been concerned that an itinerant and impoverished segment of our society is becoming a permanent feature,' she says.

Like many Community Ministries in smaller centres, Rotorua's experiences are reflected in its hardship statistics. The number of people seeking emergency food support in the city jumped more than 17 percent to 1626 households in the year to March.



Thanks to your generosity many families across New Zealand have received much needed winter supplies.

Legacy of helping young farmers grows

More aspiring young farmers will be trained by The Salvation Army after it expanded its Southland training farm, Jeff Farm.

Farmer Edmund Jeff left Jeff Farm as a bequest to The Salvation Army in 1952 to train young farmers. A great example of what can be achieved through a

bequest, the farm is used to train young cadets who are highly regarded in the industry. Farm profits are also used to fund agricultural scholarships and Salvation Army youth work.

Demand for places at the farm is high, so earlier this year the Army expanded into a neighbouring farm that

allows additional cadets to be trained and more scholarships funded.



You can join Edmund Jeff and leave a legacy for future generations. For information on arranging a bequest, contact one of our representatives on **0800 53 00 00**.



Budgeting Advisor Lucia with Leighanne.

A lifeline in hard times

Leighanne and her husband first came to The Salvation Army for a food parcel, but a year later budgeting support is giving them a secure future.

'When we came in, our finances were a mess,' Leighanne says. 'We just thought we had more money, more time to pay our bills. It was mostly down to over spending and getting more loans from Cash Converters and places.'

They were borrowing to live and had 16 debts with different companies, including clothing trucks that visit lower-socio-economic suburbs. These trucks offer people credit to buy everything from designer label clothing and technology items to groceries, but then charge high prices and huge interest rates.

They were living week to week, never sure of having food in the house, and the stress of trying to pay 'was constantly in our faces,' Leighanne says. After receiving help from the Army, they

decided to enrol for budgeting support.

'It wasn't that hard for us because we knew it was something that needed to be done—and the best place for us was The Salvation Army. We feel like we have someone who has got our backs, and we know that there's not judgement of us.'

The pair worked hard with budgeting advisor Lucia Daniels, who says they've done everything she's asked of them. In less than a year they've halved the number of debts.

'We don't get loans anymore, we don't allow the trucks up our drive. They keep coming to the door and won't take no for an answer,' Leighanne says. 'We've learnt to live within our means and we have a schedule of what we buy every week. You've got to sacrifice some things to get where you want in life.'

Their goals are to pay off their debts and reach a place where they're making good financial decisions, have food in the house every week and enough money left over to pay unexpected bills.

Lucia and other staff say the couple's whole demeanour has changed and they have much more self-esteem and confidence.

During this year's Salvation Army Red Shield Appeal, Leighanne and her husband offered to spend two days collecting for the Army as a way to say thank you and help out staff who needed to attend a funeral. 'We loved it. It's the best feeling in the world to be able to do something and not get anything in return, just the knowledge that we have done something good—that's awesome!'



You can help The Salvation Army provide wise advice and steady guidance that gives people a better future.

Three ways to give ...

- Call **0800 53 00 00**
- Remember us in **your Will**
- Online at **salvationarmy.org.nz**



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Giving regularly by automatic payments to The Salvation Army is simple, secure and convenient.

Thank you for helping us do all the things we do.

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- Email **pr@nzf.salvationarmy.org**
- Call **0800 53 00 00**



Te Ope Whakaora