

18 August 2021

To all electricity retailers, phone and internet providers, rental housing providers, banks, lenders, other creditors and those involved in collecting debt

Tēnā koutou

This is an open letter thanking you for the work you do to assist whānau facing hardship and requesting you take extra care to keep all of Aotearoa connected as we continue fight COVID-19.

We request you publicly commit to keep us all connected and stop debt spirals emerging this lockdown.

Ultimately, everyone's health and wellbeing are a concern to us all right now, and we urge you to clearly signal this to whānau and financial mentors.

At all times people can find themselves in difficult circumstances – but especially when we are all in Alert Level 4 and when we continue to adjust to what happens after restrictions begin to relax. One debt can escalate into another which can spiral into many difficult decisions and long-term financial instability without well targeted assistance.

There will also be whānau out there already facing hardship and who might be feeling extra pressure not to spend money by turning on a heater or picking up the phone.

We acknowledge government agencies are stepping up financial support. However, it may take time to overcome any challenges that may arise trying to access support and it is important your organisations are flexible to these circumstances.

FinCap supports the 870 financial mentors across Aotearoa. We know right now many people facing financial hardship will see more barriers to accessing assistance from a financial mentor. There can also be a lot more practical barriers for financial mentors assisting whānau to avoid financial issues getting worse while we are less mobile.

While our communities are in Alert Levels 3 and 4 and in the months following, we request you immediately make the following public commitments. These are the best ways to signal your support and reassure people who are facing hardship right now.

We urge all organisations publicly commit to:

- Proactively reach out and check in on people who look like they may be having difficulty paying and offer them a referral to assistance through our free and confidential [0800 MoneyTalks helpline](https://www.fincap.org.nz/0800-MoneyTalks-helpline) or Work and Income
- Protect people's financial wellbeing for retirement by ensuring your staff are putting absolutely no pressure on people to access KiwiSaver hardship and are working towards alternatives to alleviate hardship

- Be flexible to accept requests for hardship payment arrangements that reflect what people say they can afford wherever possible
- Pause debt collection processes to lower pressure on people while they are unable to go about everyday life
- Waive all fees for late payment during lockdowns so hardship does not compound
- Do not disconnect essential services that are important to the health, wellbeing and social participation of whānau in these circumstances like electricity, gas, internet and phones
- Do not deny new connections to essential services like phone, internet, electricity or bank accounts

And specifically:

- Electricity and gas retailers commit to not disconnecting any home's gas or electricity for non-payment (including automatic disconnection of homes with prepay electricity when credit runs out)
- Debt collectors specifically publicly commit to ceasing multiple automatic calls within days to people in debt
- Phone and internet providers make public commitments to ensure people have ongoing access to communications over the phone and internet providers
- Rental providers cease all evictions and show flexibility to those in the process of moving home
- The Ministry of Justice commits to pausing the processing of attachment orders for civil debt against people receiving a benefit

Please immediately flag these commitments on the main page of your website and in direct communications to your customers or clients through their preferred contact method (wherever known) if you have not done so already.

We will work to let financial mentors and the wider public know of your efforts and to keep checking the main pages of your websites.

We appreciate working alongside of you as we identify and address issues that come across our desks. Thank you again for the work you do to support whānau who may be in or facing hardship.

Ngā mihi mahana



Ruth Smithers
Chief Executive
FinCap