



INDEPENDENT REVIEW OF DISABILITY SUPPORT SERVICES

- a summary for providers

CONTENTS

- Purpose of the Review
- The Report
- Findings
- Recommendations
- Issues
- Our key messages
- What can we do about it?
- Your questions

THE PURPOSE OF THE REVIEW

- Taken from Cabinet papers, the Review Report, Fact Sheets, Rapid Assurance Review, notes from Whaikaha meetings
- The Cabinet Papers report that recent events (overspend) have highlighted that urgent attention is needed
- The Rapid Assurance Review was commissioned by Whaikaha to determine that commercial management practices were in place appropriate for a public service

THE PURPOSE OF THE REVIEW

- The Independent Review Report states its purpose is to *“...provide advice on the immediate and longer-term sustainability of disability support services, including what actions should be taken to strengthen the provision and certainty of support for disabled people into the future, and ensure strong fiscal management is in place”*

THE REPORT (includes Cabinet Papers, etc)

- Factors driving the review
 - To address long-standing issues of spending and systems control
- Factors driving up costs
 - Increased cost of labour
 - Cost of specialist equipment
 - Cost of residential support
 - Increased levels of flexibility (from COVID days)
 - Growth in population demand
 - Changes in the role of families/whanau
 - Decisions from other ministries

THE REPORT (CONTINUED)

- Two Phases
 - immediate and medium-longer-term
- Six Findings
- Seven Recommendations
 - To address long-standing issues of spending and systems control
- Factors driving up costs
 - Increased cost of labour
 - Cost of specialist equipment
 - Cost of residential support
 - Increased levels of flexibility (from COVID days)
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FINDINGS

1. Delivery of DSS is inconsistent
2. Government budget will be exceeded
3. Inadequate budgetary controls
4. Two largest areas of cost growth
 - a) Flexible funding
 - b) Residential support
5. Ministry not set up to manage risks
6. Ministry not set up to administer and deliver DSS

RECOMMENDATIONS

1. Reinstate:
 - a) Indicative budgets for NASC
 - b) Fixed budgets for EGL demonstration sites and EMS
 - c) Establish monitoring and reporting requirements for NASC, EGL sites and EMS
2. Freeze current funding for residential support until 1 July 2025 and complete urgent review
3. No price increase for DSS providers in 2024/2025

RECOMMENDATIONS

4. Establish a monitoring function of NASCs, EGL sites, EMS within Whaikaha
5. Update assessment and allocation settings for individuals based on level of need
6. Establish flexible funding criteria
7. Strengthen:
 - a) Relationship with MSD
 - b) Shared service agreements with MSD, Health and Health NZ

ISSUES

- Recommendations 1-3 are likely to mean
 - prioritisation of access to funded support
 - Individual rates in residential support less available
 - Packages over \$105,000 must be approved by the Assurance Team
- Reviewers found it difficult to gain a clear understanding of how well disabled people are being supported – monitoring needs to be strengthened
- Delivery of DSS is inconsistent
- No recognition that geographic inconsistencies can, in part, reflect economics

ISSUES (CONTINUED)

- Notes some contracts had expired before they could be renewed
- Reviewers unable to verify that increase in flexible funding was driven by COVID changes
- Reviewers unable to analyse the reasons for residential support increases
- Reviewers could not explain whether increase in residential support is driven by increased needs or operating costs
- Reviewers could not quantify the impact of pay equity on cost increases

ISSUES (CONTINUED)

- Found lack of support from Health and TWO
- Whaikaha's current work programme is too large and too aspirational
- "Peppered with pilots that have never ended"
- Autism clients came with no budget
- Suggests many operational policies, guidelines, etc overdue for review
- Support packages limited to \$105,000 before referral to Whaikaha's Assessment/Review group

ISSUES (CONTINUED)

- Suggests recommendations 1 to 4 are most urgent, but have not undertaken any evaluation of financial impact
- Note that some (smaller) providers may be adversely impacted by a freeze in residential support funding
- Could lead to pressure on NASCs from providers to move clients to individualised rates
- Implies there is capacity for residential support, but no evidence offered
- Unclear to reviewers whether the SPA tool is up-to-date (updated SPA tool coming)

ISSUES (CONTINUED)

- No evaluation of the effectiveness of flexible funding
- Guidelines for flexible funding “could help”
- Financial impact on providers noted
- Service quality could erode
- EMS pays for equipment provision for disability, aged related and others – why?
- Reviewers believe the allocation of DSS funding is driven by a sense of “entitlement”
- Fact sheet states there will be no immediate change to support – not true??

ISSUES (CONTINUED)

- Also states people will be consulted – on decisions already made??
- If residential support numbers are not to increase, will there be a waiting list??
- New individualised rates for residential support have to be approved by an officials' Review Committee.
Delays?
- Establishing criteria for flexible funding – no detail of when or who is involved
- Each year an additional 3,500 new people seeking DSS – what happens now funding is limited?

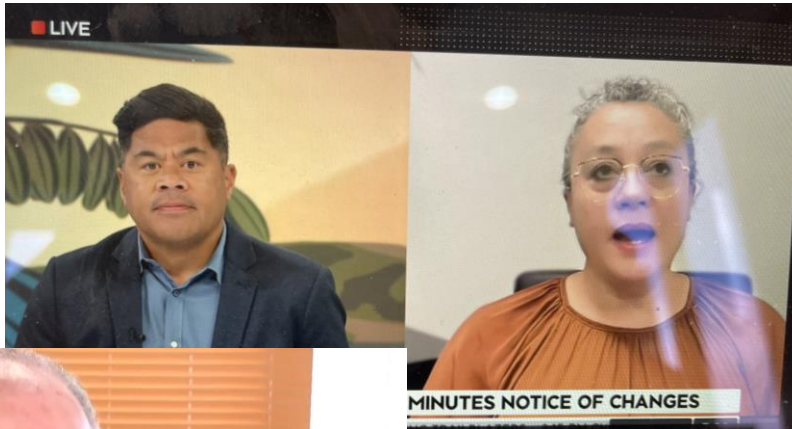
OUR KEY MESSAGES

- Funding cuts means service cuts
- It's not about over-spending, it's about under-budgeting
- This is a cut – costs have gone up, but provider's funding has been frozen, so the same money buys fewer hours of support for disabled people
- Whaikaha is being gutted, with no funding, no power, and no voice for disabled people
- Providers need to plan, manage increases in need and vacancies

OVERSPENT ≠ UNDERFUNDED

WHAT CAN WE DO ABOUT IT?

- Reaction on members' behalf through the media



POLITICS / DISABILITY

Disability advocates, opposition slam slimmed-down version of Whaikaha

New Zealand Disability Support Network chief executive Peter Reynolds said the sector had fought long and hard to get its own ministry, giving them control over how they accessed support.

"That has now been taken away. So you'll be getting a one-size-fits-all limited package of support. You're likely to see some trimming back of the breadth of that support, any flexibility that may have been there is likely to be removed."

Reynolds said the sector had been starved of funding over many years: "You just need to give it some more money".

WHAT CAN WE DO ABOUT IT?

- Providers must be careful to only accept referrals for new services or increased service where adequate funding is involved
- Health and Safety law means if you provide a service knowing that it could put your staff and/or your client at risk, you can be liable for prosecution
- Whaikaha are offering to meet with groups, including NZDSN Provider Network Groups, to discuss how the recommendations are being implemented and to address questions

FUNDING CUTS MEANS SERVICE CUTS

WHAT CAN WE DO ABOUT IT?

- OIAs
- Invite politicians to visit
- Prepare good news stories and impact stories for local media
- Write to funders (including NASC) outlining risk if a referral is refused
- Involve families/whanau
- Alert NZDSN to issues ASAP so we can escalate on your behalf
- Want to be involved? Let us know

FUNDING CUTS MEANS SERVICE CUTS

QUESTIONS



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