# Independent review of disability support services summary

## Proposal

**This report provides advice from an independent panel of reviewers on what should be done right now in the 2024/25 financial year (between 1 April 2024 and 31 March 2025) to better manage increasing money pressures faced by the Ministry of Disabled People – Whaikaha (MoDP).**

## Executive summary

In 2021 MoDP was given two mandates by Cabinet:

* to deliver Disability Support Services (DSS), including national implementation of the Enabling Good Lives (EGL) approach, and
* a strategic policy role across government.

The Ministry of Health used to manage DSS, and it had money pressures for a long time. The money pressures did not go away when DSS moved into MoDP. Already, MoDP thinks that its costs will be greater than the amount of funding it will get from Budget 2024 for the coming year.

The independent review was to provide advice on how to fix these problems and make sure DSS can keep being paid to people who need it.

Phase One of the review looked at:

* **what should be done right now in the 2024/25 financial year to better manage increasing cost pressures.**

This report provides the review panel’s Phase One findings and recommendations. The review panel made six findings and seven recommendations (below).

### Findings

The independent review panel made these findings about MoDP:

1. Delivery of DSS is not consistent for all the disabled people who need it.
2. MoDP will run out of money in the DSS budget 2024/2025 if spending is not controlled.
3. There are not enough steps in place to control how much money is spent and make sure MoDP is following the normal money rules that all government agencies have to follow.
4. The two biggest areas of growing costs are flexible funding and residential facilities-based care.
5. MoDP is not set up to manage how big and complex its appropriation has become.
6. The design of policy and services do not allow MoDP to monitor and deliver DSS properly.

### Recommendations

The independent review panel made these recommendations:

1. Bring back:

* expected budgets for Needs Assessment and Service Coordination organisations (NASCs);
* fixed budgets for EGL demonstration sites and Equipment and Modification Services (EMS) providers;
* monitoring and reporting rules for NASCs, EMS providers, and EGL demonstration sites.

1. Freeze current levels of funding for residential facility-based care for 2024/25 until an urgent review of the contract and pricing models has been organised and finished.
2. Take no action on a price increase for providers in 2024/25.
3. Make an effective function within MoDP to monitor NASCs and EGL demonstration sites assessments and allocations.
4. Update the assessment and allocation settings for individuals based on level of need.
5. Make criteria for access to flexible funding and review the flexible funding guidelines to make them clearer and more consistent.
6. Strengthen:
   * the departmental agency arrangement with the Ministry of Social Development, and
   * the shared services agreements with the Ministry of Social Development, Ministry of Health and Health New Zealand.

## Executive summary (continued)

These recommendations are the first step to better manage money pressures faced by MoDP. The reviewers say that MoDP is facing great pressure and early work must focus on MoDP’s:

* spending controls,
* monitoring and reporting systems,
* buying and contracting processes,
* shared service supports, and
* organisational arrangements.

The review panel were to do a Phase Two of the review to look at how to make sure DSS could keep being paid to people who need it in the future.

However, the review panel think that Phase Two as it was originally planned should not happen right now. The review panel have found that because of the current problems faced by MoDP, MoDP must first improve and strengthen how DSS works and make sure DSS is stable.

The review panel suggests that this work should be done by a taskforce with suitable skills to be brought into MoDP as early as possible to work with the Chief Executive. The review panel says that this taskforce should be in place for 12 months.

**End of information: Independent review of disability support services summary**

Link to full document: [Independent Review Report | Whaikaha - Ministry of Disabled People](https://www.whaikaha.govt.nz/news/independent-review/independent-review-report) or https://tinyurl.com/2an59juh

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