

# DSS review Cabinet paper summary

## Proposal

This Cabinet paper seeks agreement to set up an independent review to review Disability Support Services (DSS), which is managed by the Ministry of Disabled People – Whaikaha (MoDP). The review will provide advice to the Minister for Disability Issues and Minister for Social Development and Employment on what should be done:

* right now to manage increasing pressure being put on the DSS budget (the money used to provide DSS);
* to make sure DSS can keep being paid in the future.

## Executive summary

MoDP should only spend the amount of money that the Government has said it can spend. DSS is paid to people based on what they need. Each year more people receive DSS, and the amount each person receives goes up. This creates a problem, because the same amount of money needs to be used to help more people every year, or more money needs to be found from somewhere else to pay for DSS. The main reasons that the costs are going up is because it keeps costing more to:

* pay care and support workers;
* buy specialist equipment and modifications;
* pay for residential care;
* pay for the growing numbers of people who are eligible for DSS;
* recognise:
  + more flexibility in how disabled people can buy supports;
  + changes in the role of families in providing care to disabled people;
  + decisions in the health system and by Accident Compensation Corporation (ACC).

MoDP cannot fully control how much it needs to spend on DSS. The Needs Assessment and Service Coordination (NASC) process means that people outside MoDP decide how much money people receive. There is also no existing law to guide MoDP in making decisions on how to administer DSS. MoDP needs to rely on its operational policy to explain and apply Cabinet’s decision in 1994 on who can get DSS. This problem could make it hard for the Government to manage public money if we don’t do something about it.

The Minister for Disability Issues and Minister for Social Development and Employment need advice now on what to do to fix these problems and make sure the people who need DSS can keep getting it. To do this, the review will look at things like who is eligible for DSS, what MoDP needs to do to better manage the problems, and what the law says. The reviewers can talk to who they want, when they want, so that they can provide their advice.

## Recommendations

The Minister for Disability Issues recommends that Cabinet:

1. Note that MoDP has two roles – it aims to improve outcomes for disabled people by leading cross-government strategic policy advice while also delivering and transforming DSS
2. Note that MoDP can’t fully manage the risks and issues that come from pressure on the costs of DSS
3. Agree that the independent review will give Ministers advice on what should be done:
   1. immediately to manage increasing pressure being put on the DSS budget
   2. to make sure DSS can keep being paid in the future
4. Note that the independent review will report back on question 3.1, six weeks after it starts, and on question 3.2, 14 weeks after it starts
5. Agree that the Public Service Commission (PSC) will host a group of officials from PSC, the Treasury, and the Ministry of Social Development (MSD), to help the independent review
6. Agree to the initial Terms of Reference for the independent review, attached as Appendix 5
7. Agree that the Minister for Disability Issues and Minister for Social Development can:
   1. pick three people with the right experience to work on the review panel and decide what they should be paid
   2. set up the group of officials to help the independent review
   3. make small changes to what the reviewers are asked to do without needing to go back to ask Cabinet first
   4. anything else they think is needed to make sure the independent review works well
8. Note the Minister for Disability Issues and Minister for Social Development will ask Cabinet before making big changes to what the reviewers are asked to do, or if they need a lot more time
9. Direct MoDP to pay for the independent review
10. Direct PSC, the Treasury, and MSD to pay for the group of officials to help the independent review
11. Direct MoDP and agencies with joint work programmes or whose systems interact with MoDP, including the Ministries of Social Development, Health, and Education, the Department of Corrections, Health New Zealand – Te Whatu Ora and Oranga Tamariki – Ministry for Children, to support the work of the reviewers and help as needed
12. Invite the Minister for Disability Issues and Minister for Social Development to come back to Cabinet with updates on the progress of the review, and when they have advice on what to do next.

**End of information: DSS review Cabinet paper summary**

Link to full document: [Cabinet paper, 29 April 2024 | Whaikaha - Ministry of Disabled People](https://www.whaikaha.govt.nz/news/independent-review/cabinet-paper-29-april-2024) or <https://tinyurl.com/4ct6hyuu>

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