



# Cabinet Social Outcomes Committee

## Minute of Decision

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### Action to Stabilise Disability Support Services: Assessments, Allocations and Flexible Funding

**Portfolio**                      **Disability Issues**

On 23 July 2025, the Cabinet Social Outcomes Committee (SOU):

- 1        **noted** that the actions outlined in the paper under SOU-25-SUB-0088 relate to recommendations five and six of the Independent Review into Disability Support Services (DSS) [CAB-24-MIN-0301], and follow community consultation on proposals to stabilise and strengthen the DSS system [SOU-24-MIN-0157];
- 2        **noted** that the actions in the paper under SOU-25-SUB-0088 will further stabilise DSS and improve fairness, transparency, consistency, and sustainability for disabled New Zealanders;
- 3        **noted** that the Minister for Disability Issues (the Minister) intends to make further changes to DSS to strengthen the system to ensure the DSS is fair, transparent, consistent, and fair for the disabled community;
- 4        **invited** the Minister to report back to SOU in October 2025 on the future of the strengthening work;
- 5        **noted** that the actions to progress recommendations five and six will stabilise DSS through a “tight, loose, tight” approach, which are a short-to-medium term solution in advance of further strengthening work;
- 6        **agreed** to tighten fiscal management of allocations of DSS funding to eligible disabled people by:
  - 6.1        implementing a single, consistent assessment tool, and processes that define the intent of supports (linked to need), for all Needs Assessment and Service Coordination organisations (NASCs);
  - 6.2        implementing a single allocation tool for all NASCs for setting new grouped “service packages” with capped allocations (which is a requirement for ensuring the affordability of greater flexibility);
  - 6.3        transferring the flexible funding portion of existing DSS users’ allocations to new capped allocations based on historic spend, until all DSS users can be assessed using the new assessment and allocation tools;
  - 6.4        establishing personal spending plans to determine what is anticipated from the DSS users’ capped flexible funding allocation;

- 7 **agreed** to change flexible funding by:
- 7.1 retracting current purchasing guidelines;
  - 7.2 permitting all spending that aligns to a DSS user's personal spending plan, subject to prohibitions that are publicly listed on the DSS website;
  - 7.3 providing greater discretion for DSS users to make spending decisions that they consider best supports them in line with the spending plan and make trade-offs from their capped flexible funding allocation;
  - 7.4 retaining the ability to publish guidelines in the future as necessary to achieve the outcomes sought in the above decisions, and consistent with the "tight, loose, tight" framework;
- 8 **agreed** to tighten oversight by:
- 8.1 establishing tiered framework for flexible funding users, to provide guidance in making spending decisions and managing the obligations that come with purchasing services or being an employer;
  - 8.2 describing sensitive purchases that require pre-approval by hosts;
  - 8.3 establishing a spending review process;
  - 8.4 inform future flexible funding allocations with reference to the DSS user's previous use of flexible funding;
- 9 **authorised** the Minister to make decisions on the design and implementation of policies, tools, and processes required to give effect to the decisions in paragraphs 6 to 8 above.

Jenny Vickers  
Committee Secretary

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**Present:**

Hon David Seymour  
Rt Hon Winston Peters  
Hon Nicola Willis  
Hon Simeon Brown  
Hon Erica Stanford  
Hon Paul Goldsmith  
Hon Louise Upston (Chair)  
Hon Mark Mitchell  
Hon Tama Potaka  
Hon Nicole McKee  
Hon Casey Costello  
Hon Penny Simmonds  
Hon Karen Chhour  
Hon Nicola Grigg  
Hon Scott Simpson

**Officials present from:**

Office of the Prime Minister  
Officials Committee for SOU