

Update on Disability System Transformation

The Disability Support Services (DSS) medicalised model doesn't work for many disabled people

The Ministry of Health manages an annual spend of **\$1.7 billion** to deliver DSS to around **42,000 disabled people** (tāngata whaikaha).

DSS provides an outdated **medicalised model** of disability which focuses on disability as a health problem to be "fixed". Supports are selected for the person based on a needs assessment focused on their deficits, rather than the person having choice over what support they receive.

Although the DSS spend is large, disabled people – and especially DSS clients – continue to experience significantly **poorer outcomes**. For example, only 18% of DSS clients have a school or tertiary qualification compared to 85% of the general population.

Cabinet has endorsed the Enabling Good Lives (EGL) approach for transforming the disability support system

The EGL vision and principles were developed in 2012 by the disability community are consistent with Te Tiriti, the UN Convention on the Rights of Persons with Disabilities, and the NZ Disability Strategy.

EGL is about working towards participants' aspirations and building on their strengths. It gives participants an independent '**Connector/Tūhono**' to help them and their whānau to plan and **build a good life**. It also gives a **single entry** for funded support and a personal budget that participants can **spend flexibly** to meet their life goals. The EGL approach was endorsed by Cabinet in 2018.

"In the future, disabled people and their families will have greater choice and control over their lives and supports, and make more use of natural and universally available supports." - EGL Vision

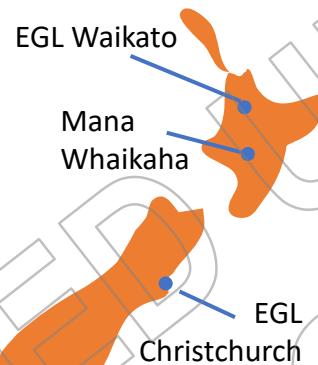
Now we have the opportunity to transform Disability Support Services using the EGL approach

Trials of EGL show the approach works for disabled people

There have been two trials of EGL in Christchurch and Waikato. Since 2018, a full prototype of the transformed system (known as Mana Whaikaha) has been operating in the MidCentral DHB region.

The EGL demonstrations have shown:

- **positive impacts on quality of life**, aspirations, and social participation
- **an opportunity to improve equity** through increased engagement with the system – especially by Māori and Pacific peoples
- **individual support package costs are frequently no greater** – and sometimes lower.



The next step is to scale a transformed DSS based on EGL throughout New Zealand

The next step to transform DSS is the national scaling of the EGL approach.

Advice on national transformation is being developed **in partnership** with representatives of the disability community. System transformation is part of the 2019-2023 Disability Action Plan.

Although support packages are not expected to increase, **national transformation will require investment** in Connectors/Tūhono, tools and processes, and capability building.

A transformed DSS will require supporting machinery of government arrangements. In 2018, Cabinet initiated a Machinery of Government Review. This will advise on what changes to the structure and governance of DSS are needed, including options for using new or existing agencies.

Key decisions are required in September 2021 to ensure the national transformation of DSS will progress alongside the health and disability system reforms.

We will seek key decisions on a nationally transformed DSS in September 2021:

Decisions on machinery of government for the transformed DSS which will cover:

- what new machinery of government is needed for the transformed DSS
- decisions on the permanent arrangements for DSS (i.e. where DSS should be located within the context of the health and disability system reforms)
- proposed timing of any machinery of government changes in the context of structural change through the health and disability system reforms
- potential legislative and financial implications of machinery of government arrangements.

Decisions on the national scaling of the transformed DSS which will cover:

- the operating model including the functions, powers, roles and governance needed
- how the voice of disabled people, families and whānau will be embedded in the system
- capacity and capability development for disabled people, families and whānau
- an approach to develop workforce capacity and capability
- implications for other agencies, providers, and workforce
- indicative funding required for EGL on a national scale (to be sought through future Budgets).

DSS is the starting point, but it is not the full picture

The cross-government disability support system is bigger than DSS. Across government, multiple agencies provide disability-related functions.

Functions are not just supports and services such as DSS, but also complaints, advocacy and monitoring functions.

With the transformation of DSS, there is the opportunity to look at how we can achieve positive change for a larger cohort of disabled people than those currently receiving DSS, and ensure all portfolios are responsive to the needs of disabled people.

Any machinery of government changes for the transformed DSS should be future proofed to accommodate future changes across government.

Our September 2021 Cabinet paper will seek initial decisions on the scope of work on the broader cross-government disability system including:

- what the broader system currently looks like including existing functions, roles, and issues
- seek Cabinet agreement for officials to undertake detailed work on a broader scope for change
- outline what a broader scope for change in the cross-government disability system could look like
- how this fits with other work underway in the system including the Health and Disability System Review reforms and Accelerating Accessibility.

