#

# The Ministry of Disabled People - Whaikaha 2023/24 Annual Report

Ministry of Disabled People - Whaikaha was established on 1 July 2022 as a Departmental Agency hosted by the Ministry of Social Development (MSD).

This Annual Report provides information on the services, activities and achievements of Whaikaha during the period from 1 July 2023 to 30 June 2024.

The financial reporting for the Ministry are contained in the 2023 MSD Annual Report, as the host agency, and can be found on the MSD website at www.msd.govt.nz.

This work is licensed under the Creative Commons Attribution 4.0.

In essence, you are free to copy, distribute and adapt the work, as long as you attribute the work to the Crown and abide by the other licence terms. To view a copy of this licence, visit: CC BY 4.0 Legal Code | Attribution 4.0 International | Creative Commons.

Please note that no departmental or governmental emblem, logo or Coat of Arms may be used in any way which infringes any provision of the Flags, Emblems, and Names Protection Act 1981. Attribution to the Crown should be in written form and not by reproduction of any such emblem, logo or Coat of Arms.

ISSN 3021-128X (Print) | ISSN 3021-1298 (Online).

# Chief Executive foreword



Whakapuāwai rā, e whanake ana

Whakapuāwai rā, e tōnui ana

Kei runga ake, kei runga noa atu

Kia mau ki te aka matua

Kia mau ki te rākau rangatira.

Me he aka rātā ka tipu tahi

ka puāwai tahi

Kia tū kaha i ngā hihi

ō Tama-nui-te-rā.

Ka mutu

Kia whai ora

Kia whai hua

Kia whai kaha e.

E ngā manawa nui

E ngā manawa rahi

E te mea nui o tēnei ao

He tāngata, he tāngata

Tēnā koutou katoa.

Nāu mai haere mai ki te pūrongo-a-tau.

Flourish and thrive, onwards, upwards

Flourish and thrive, prosperous, prolific

Ascending skywards, commanding, prominent

Grasp the main vine, hold firm the chiefly tree.

We are like the rātā vines.

Growing together and flourishing

To stand strong in the warmth of the sun.

Furthermore, pursue these qualities

Live well, thrive abundantly, find strength.

To the steadfast, to the resilient

To the greatest thing in this world

It’s people, it’s people

Greetings to you all.

Welcome to this year’s annual report.

I am proud to present this Annual Report for the 2023/24 financial year, which outlines how in our second year of establishment, the Ministry of Disabled People - Whaikaha has continued to work with tāngata whaikaha Māori, disabled people, whānau, families, the wider disability sector and our colleagues across the public service to continue towards a non-disabling Aotearoa New Zealand.

As we reflect on the past year, I want to acknowledge the April 2024 passing of Sir Robert Martin, an important leader in our community who made an enormous contribution in New Zealand and globally. He was also the patron of My Home, My Choice, aiming to improve the way people in residential services are assisted. We continue to grieve his loss and hope that his legacy will continue through our ongoing work

This year we have focused on both improving the way disability supports are delivered and on stewarding change across government.

We strengthened our systems and built capability to better support the delivery of Disability Support Services (DSS) to 62,000 people and Equipment and Modification Services to over 47,000 disabled people.

This year we have responded to both the increased complexity and demand for disability supports, while balancing the need to manage delivery within our fiscal envelope.

Across government, we have continued to provide advice and input, invested in relationships and identified opportunities to advance the rights and interests of the disabled community.

Some of our key highlights for the year include:

* Drawing down transformation funding and establishing the Transformation Management Board to guide investments and reflect our commitment to work with the disability community to improve the disability support system.
* Strengthening community engagement mechanisms, with the establishment of the Strategic Advisory Group and the signing of a Memorandum of Understanding between the National Enabling Good Lives Leadership Group and the Ministry.
* Developing a National Pacific Disability Plan in collaboration with Pacific families and communities.
* Investing to grow disability leadership and build community capacity and capability, through the commissioning of grants for disabled-led groups and organisations.
* Implementing system improvements so that disabled people, tāngata whaikaha Māori and whānau can have more confidence about the quality of supports they receive.
* Contributing to the Crown Response to the Royal Commission of Inquiry into Abuse in State and Faith Based Care.
* Contributing to the Crown Response to WAI2575, the Waitangi Tribunal’s inquiry into health services and outcomes.
* Collaborating across government on matters of importance, including data, workforce development, accessibility and inclusion.
* The appointment of new members to the New Zealand Sign Language (NZSL) Board and progressing a review of the NZSL strategy.
* Strengthening and supporting the NZSL Board Turi Māori Advisory Group Te Roopū Kaitiaki, and growing their leadership contribution by including them in the Strategic Advisory Group.
* Becoming an employer of choice for disabled people and tāngata whaikaha Māori, and leading work to improve employment rates and experiences of disabled employees in the public service.
* Developing our first strategic work programme to guide the prioritisation of work as we build our capability and capacity.
* Developing our organisational values in collaboration with kaimahi/staff.
* Growing our capability and capacity to deliver on our obligations under Te Tiriti o Waitangi and grow Māori Crown relationships.
* Developing our commissioning framework.
* Forensic Coordination Services was moved under the direct management of the Ministry in March 2024. This transition has progressed well with plans underway to retender the service in 2025.

Thank you to our community and sector who have contributed to the vision of a non-disabling Aotearoa New Zealand.

Kia kaha, kia maia, kia manawanui!

Paula Tesoriero MNZM PLY

Te Tumu Whakarae | Chief Executive

Ministry of Disabled People - Whaikaha

# Our year in numbers

**62,000** *(approximately)*

New Zealanders supported by Whaikaha through Disability Support Services:

* 40 percent \* have an intellectual disability
* 40 percent \* have autism as their primary disability
* 19 percent \* have a physical disability

**$2.28b**

Disability Support Services delivered

**18 sites**

15 x Needs Assessment and Service Coordination (NASC) sites

&

3 x Enabling Good Lives sites

across NZ

**Over 47k+**

people accessed Equipment Modification Services

**31 Child Development Services (CDS) in Aotearoa**

providing early intervention and developmental support to children and rangatahi.

16,000 seen by CDS

**$2.65m**

allocated to transformation initiatives across disabled person/whānau-led facilitation services, testing alternatives to NASC facilitation services for family wellbeing/respite, building the peer support network and evidence base, and four My Home, My Choice initiatives.

**Number of disabled people in Aotearoa**

Total of 1.1 million / 24% of all New Zealanders

**42%** of our kaimahi/staff identify as disabled

**Pay gap**

Gender Pay Gap is 6.9%

Māori Pay Gap is 4.0%

Asian Pay Gap is 12.6%

**Causes of impairment**

Disease or illness - 41%

Accident or injury - 31%

Ageing - 28%

Existing from birth - 14%

**The three most common impairment types New Zealanders experienced**:

were mobility - 13 %

hearing - 9 %

agility - 7 %

**Disability rates by ethnicity were**:

Māori – 32%

European – 24%

Pacific peoples – 26%

Asian – 17%

**$1m** Investment to build community capacity and capability in four regions

**20 talanoa sessions** Held from Kaitaia to Invercargill to develop the National Pacific Disability Plan

**5 formal engagements** Forums / relationships established

**53%** of disabled people reported multiple impairments

For people aged over 65 years, females were more likely to experience multiple impairments.

# Our strategic direction

## Our story

Whaikaha was established on 1 July 2022 with a dual mandate to:

* Improve and strengthen the way disability supports are provided.
* Advance societal change to improve outcomes for disabled people, tāngata whaikaha Māori, families and whānau.

At the time of this report, Whaikaha is a departmental agency as defined by section 2 of the Public Finance Act (1989), hosted within the Ministry of Social Development (MSD). It is an agency committed to progressing the rights and opportunities of disabled people. The work of Whaikaha is underpinned by Te Tiriti o Waitangi, the United Nations Convention on the Rights of Persons with Disabilities (UNCRPD) and the Enabling Good Lives (EGL) principles and approach.

**Our Whakataukī**

***Me he aka rātā ka tipu tahi***

***ka puāwai tahi kia tū kaha i***

***ngā hihi ō Tamanuiterā.***

***Like the rātā vines growing***

***together and flourishing to***

***stand strong in the warmth***

***of the sun.***

# What we want to achieve

The New Zealand Disability Strategy is a key mechanism for the Government and disabled people, their families and whānau to set the direction for a non-disabling Aotearoa.

The New Zealand Disability Strategy (2016–2026) (the ‘Strategy’), together with the Disability Action Plan (2019–2023) (the ‘Action Plan’), drives the vision for a non-disabling Aotearoa New Zealand and the implementation of the UNCRPD over time.

During the period of this report, progress towards the Strategy and the Action Plan includes:

* the Household Disability Survey 2023 carried out by Stats NZ
* the launch of the inaugural Disability Action Plan 2023–2027 by the Department of Corrections – Ara Poutama Aotearoa
* the target of universal design homes (19 percent) built in 2023 being exceeded by 15 percent by Kāinga Ora
* publication of a Provisional Health of Disabled People Strategy by the Ministry of Health | Manatū Hauora (MoH).

Each year, the Minister for Disability issues reports annually on the progress of the New Zealand Disability Strategy. Six-monthly progress towards the Disability Action Plan is reported on the Ministry’s website.

# About us

## What we do

The New Zealand Disability Strategy 2016–2026 states that:

* “We must continue to acknowledge and respect the diversity within the disability community and recognise the value it adds to the community.”
* “Many disabled children and adults still face some barriers that prevent them from reaching their full potential. If these barriers are not dismantled and removed, then all of us miss out. We will not prosper if disabled people are not able to participate in and contribute to our communities on an equal basis with others.”

For the period which this report relates to, the Ministry is responsible for most DSS and works to drive improved outcomes for disabled people. The Ministry is focused on strategic policy, stewardship, system transformation and capability building for the wider government system as it relates to disabled people.

The Ministry is also focused on creating an inclusive and accessible Aotearoa New Zealand, recognising the importance of involving people from the disabled community in decision-making which affects their lives.

Through the DSS-funded system, we provide support to approximately 62,000 disabled people and their families and whānau, as well as Equipment and Modification Services to over 47,000 disabled people.

Whaikaha is committed to inclusive employment policies and practices that remove barriers for disabled people and tāngata whaikaha Māori to work within the Ministry at all levels of the organisation. Currently, more than 40 percent of our kaimahi/staff identify as disabled.

Many of our people are family members and whānau of disabled people or have other links to the community. The Ministry continues to strengthen its capability by building closer relationships with disability community groups and organisations to inform and guide its work.

The prevalence of disability in New Zealand is proportionally higher among Māori and Pacific peoples. When adjusted for age, the Māori rate of impairment increases to 32 percent, compared with the general population at 24 percent. Because Māori are a younger population, impairments are less likely to be linked to age-related conditions. Appendix 1 provides further information about the diversity of the disabled community and the barriers experienced.Programmes we have progressed

Disability system transformation

Over the last two years the Ministry has progressed initiatives to transform the disability support system. There has also been an increased focus on organisational structure, systems, processes and policies to ensure the Ministry can deliver its system stewardship functions.

Advice on the most appropriate way to advance transformation of the disability support system was also developed with disability community leadership groups.

High and Complex Framework (HCF)

The High and Complex Framework (the ‘Framework’) supports people under the Intellectual Disability (Compulsory Care and Rehabilitation) Act 2003 and other relevant legislation. It provides a diversionary pathway for people with an intellectual disability who are engaged with the criminal justice system towards more appropriate services with a strong rehabilitative focus. Around 200–250 disabled people, many of whom have committed serious offences, are supported through the Framework.

Although this is the primary reason for the Framework, it may also support those who have not been formally charged with a crime or those held under wider legislative means. This population is also made up of a number of former care recipients in the process of transitioning out of the Framework.

The Kaupapa Māori team are continuing to support development of the Framework. Around 40 percent of this population is Māori and this work programme requires a strong Te Tiriti lens and culturally relevant response.

My Home, My Choice

This initiative is focused on the work needed to transform the way people in residential services are assisted so they have more choice and control in their lives.

The Ministry continues to build the peer support network and evidence base for My Home, My Choice initiatives below, including setting up a project group:

* + the Intensive Response team
	+ Te Ao Māori alternative options
	+ separating accommodation from other supports
	+ establishing practice networks to support alternative options and continuous improvement.

Paid family carers

People receiving disability supports have the option to choose to pay a family member to provide those supports. This applies to supports that would otherwise be provided by a support worker through the Ministry’s funding and Health New Zealand-funded support services. The Ministry has used this funding to address increases in costs where disabled people were receiving Family Funded Carer services and are now receiving Individualised Funding and other flexible supports.

During the financial year the Crown successfully appealed aspects of an Employment Court decision that could create employment obligations for the Ministry towards a large number of people who provide care to disabled family members. The Court found that the Ministry was not the employer of these family carers.

Contributions and key reviews conducted during the financial year:

* Contributing to the Crown Response to the Royal Commission of Inquiry into Abuse in State and Faith Based Care.
* Contributing to the Crown Response to WAI2575, the Waitangi Tribunal’s inquiry into health services and outcomes.
* A rapid assurance review of the Ministry’s commercial management practices conducted to ensure that its contract management practices are robust, provide public value, and to reduce legal and financial risk for the Ministry.

The Implementation Unit in Department of Prime Minister and Cabinet | Te tari o te Pirimia me te Komiti Matua (DPMC) carried out an assessment of the Ministry’s progress in establishing its governance and system leadership arrangements, progress of its establishment and transition stages, Enabling Good Lives initiative, and lessons from its establishment as a new departmental agency.

The findings and recommendations were reported to the previous Minister of Finance in September 2023 and a final copy provided to the Ministry in March 2024 (the timing difference was due to pre-and post-election activities and change in administration).

On the key risks identified in DPMC's assessment of the Ministry, the following actions were undertaken to strengthen our systems and capability to better support the delivery of DSS to disabled people.

* Strengthened financial planning and monitoring mechanisms through a focused financial sustainability programme of work.
* Key Shared Service arrangements were reviewed, and improvement actions completed.
* Employment agreements across Whaikaha was completed. Work to improve internal processes and procedures will be ongoing as the Ministry responds to inherent system challenges and change.
* Advisory Boards/Groups established in partnership with disabled people and tāngata whaikaha Māori to increase participation and voice across key disability matters.

# Our organisation

The Ministry is arranged into four business groups:

* Commissioning Design and Delivery and Policy
* Strategy and Partnerships
* People and Culture
* Corporate Services.

Each group is led by a Deputy Chief Executive (DCE) who is a member of the Executive Leadership team. The Executive Leadership team also includes a Kaihautū – Chief Advisor Māori who provides strategic advice and leads parts of our integrated work programme to ensure our commitment to Te Tiriti o Waitangi is reflected. The Ministry has progressively built organisational capability and capacity to deliver on our obligations under Te Tiriti o Waitangi. The Ministry offices are located in Auckland, Hamilton, Palmerston North, Wellington, Christchurch and Dunedin.

The Ministry is a flexible-by-default employer and is committed to supporting the provision of flexible working arrangements to reflect the diverse needs of our kaimahi/staff.

## Our organisational values

Our three values represent and underpin who we are and what we stand for. Our values help us to align our daily actions with a common purpose and a shared understanding of what should guide our behaviour. Our people are committed to living our values.

Our purpose is to:

* improve the way disability support is provided
* make changes in society and communities to make things better for:
	+ tāngata whaikaha Māori and disabled people
	+ their whānau and families.

Our organisational values have been developed in Te Reo Māori, English and NZSL to support us to achieve our purpose.

These values are: (remove line diagrams)

* Mana Taurite│Equity drives us
* Mana Kaha │We strengthen and support
* Mana Tūhura│We explore and learn

## Supporting Te Tiriti o Waitangi relationships

Underpinning all areas of our work is our commitment to Te Tiriti o Waitangi. A Kaihautū – Chief Advisor Māori role was established within the Executive Leadership team to lead and advise on:

* developing effective and enduring Māori Crown relationships
* contributing to work programme development and implementation
* strengthening system oversight and integrating cultural responsiveness into the quality and safeguarding framework data and monitoring frameworks
* continually striving for new and improved approaches that will result in better outcomes for tāngata whaikaha Māori and disabled people.

As a departmental agency of the Crown, Whaikaha is committed to honouring its obligations under Te Tiriti o Waitangi, supporting and enabling Māori, whānau, hapū, iwi, and communities, so that tāngata whaikaha Māori and their whānau realise their aspirations. This will include growing our cultural capability, embedding Te Tiriti o Waitangi into the way the Ministry works, and partnering with others to ensure our work programme reflects the Crown’s relationship with Māori, and improves outcomes and equity for tāngata whaikaha Māori.

## Stewardship

Removing barriers and opening opportunities to live good lives benefits from joined up efforts across government agencies and wider communities. The Ministry plays an important stewardship role to help with this.

Our stewardship approach provides a disability lens and is proactive and targeted to support agencies to meet their responsibilities to disabled people and whānau. It includes things such as:

* co-ordinating government agencies’ responses to the 63 Concluding Observations provided by the UN Committee on the Rights of Persons with Disabilities
* driving work programmes, and monitoring progress towards the Disability Action Plan 2019–2023
* contributing evidence to and participation in the Royal Commission of Inquiry into Abuse in State Care, the Waitangi Tribunal Wai 2575 Health Services and Outcomes Inquiry and the Royal Commission of Inquiry into COVID-19 lessons learned
* working with the Ministry of Transport, CCS Disability Action, the New Zealand Parking Association and local government to drive actions to reduce mobility parking misuse
* providing support to the NZSL Board to progress its strategy and work programmes to maintain and promote NZSL as an official language of New Zealand
* contributing to the Ministry of Education’s Sector Advisory Group on Deaf Education
* delivering initiatives to increase disabled people’s participation in public boards and committees, including a nominations service and promoting training opportunities
* engaging with the Deaf community and government agencies to support the development of the next NZSL Strategy.

Priorities for the next financial year include a focus on accessibility in all system settings.

## Royal Commission of Inquiry into Abuse in Care

The Royal Commission of Inquiry into Historical Abuse in State Care and in the Care of Faith-based Institutions (Royal Commission) Whanaketia – Through pain and trauma, from darkness to light was tabled in Parliament on 24 July 2024 and became public.

The Royal Commission’s role

The [Royal Commission](https://aus01.safelinks.protection.outlook.com/?url=https://www.abuseincare.org.nz/&data=05%7c02%7cSimon.England003%40whaikaha.govt.nz%7ca17e1df5315841cd6cd708dc94b3617e%7ce40c4f5299bd4d4fbf7ed001a2ca6556%7c0%7c0%7c638548745371848060%7cUnknown%7cTWFpbGZsb3d8eyJWIjoiMC4wLjAwMDAiLCJQIjoiV2luMzIiLCJBTiI6Ik1haWwiLCJXVCI6Mn0%3D%7c0%7c%7c%7c&sdata=5U8GrWDTymYTEI30r5gGWHqUFhVKfJrZRnkm%2BAR1D9s%3D&reserved=0) was established in 2018 to investigate children’s, young people’s and vulnerable adults’ experiences of abuse and neglect in State and non-State care in New Zealand between the years 1950 and 1999. The Royal Commission also heard about abuse, care settings, policies and practices outside this timeframe and up to the present.

Deaf, disabled people, tāngata whaikaha Māori and people with learning disabilities have been a significant focus in the inquiry.

The Ministry has provided information to the Royal Commission through ‘Briefs of Evidence’ and ‘Notices to Produce’ in response to questions from the Royal Commission.

The Ministry continues to work with the Crown Response Unit and Crown agencies in a range of cross-agency workstreams and groups.

Whanaketia recommendations

Whanaketia has many findings and 138 recommendations for change that, if adopted, would impact on many government agencies with care responsibilities, including the Ministry of Disabled People – Whaikaha.

In particular, Whanaketia recommends significant change to care safety processes, organisational arrangements and structures for the regulation, monitoring and commissioning of services, including DSS funded by the Ministry.

Other recommendations relate to:

* legislation for care safety and the rights of disabled people
* redress
* safeguarding
* providers and workforce
* complaints, data collection, record-keeping and information sharing
* Te Tiriti o Waitangi, human rights and United Nations conventions.

Reports of abuse and neglect in care settings, including disability settings and with disabled people, show that improvements continue to be needed.

The Ministry is working with the Crown Response Unit and Crown agencies to provide advice on the recommendations and findings to the Ministerial Group chaired by the Lead Response Minister, Erica Stanford.

**Records improvement** – In its 2021 report, the Royal Commission found that many survivors experienced difficulty accessing their records, lengthy delays, and getting incomplete or heavily redacted information. Recommendations for improvement included the location, access and protection of personal care records.

The Ministry is also continuing with the key workstreams of redress, records improvement and contributing to work on the public apology.

# People and culture

## Our people

A People and Culture strategy and roadmap has been developed. This describes key shifts we need to make through 2024–2027. Four areas of focus have been identified: strengthening our foundations, leadership, being an employer of choice, and influencing across the public service. The work programmes that sit within each area of focus will help us work together differently to achieve our purpose and create a productive and engaging environment for our people at the Ministry.

As of 30 June 2024, the Ministry had 258 employees who represent the following:

Disability:

* 42 percent of our kaimahi/staff self-identified as disabled.

To calculate this percentage, we take those who self-identify with a disability status/(total employees less unknown disability status).

Gender:

* 75 percent female
* 25 percent male
* 1 percent other.

Acknowledging intersectionality, our employees have identified as members of the following communities:

* 80 percent as European
* 15 percent as Māori
* 10 percent as Asian
* 7 percent as Pacific peoples
* 3 percent as Middle Eastern/Latin American/African
* 1 percent as other.

Ethnicity percentage is based on employees who reported an ethnicity as a proportion of all employees who self-disclosed an ethnicity. People who report more than one ethnic group are counted in each group they identify with. As a result, the number of employees across the ethnic groups may add up to more than the total number of employees (or more than 100 percent).

## Public sector Disability Four-Point plan

The Ministry is the lead agency championing Te Kairangi Tūrama Muri, the Disability Four-Point plan to increase opportunities for disabled people in the public service. It sits alongside Papa Pounamu and works to these outcomes:

* Increasing the visibility of disabled public servants – identify better collection of data across the public service.
* Recruiting and promoting more disabled people and tāngata whaikaha to positions in the public service.
* Improving accessibility for disabled people in the public service.
* Identifying and closing inequities disabled people and tāngata whaikaha Māori face that others don’t ( for example, pay gaps, career progression).

The Ministry is finding ways to improve our inclusive and equitable recruitment and retention practices. The experiential learnings from these initiatives will help shape best practice that can be shared with agencies. For example, during the year we:

* Worked with Kindred, a Human Resource consultancy partnered with the NZ Down Syndrome Association, to learn first-hand what transition and support in employment looks like for disabled people with intellectual impairment.
* Appointed a Programme Lead, Employment Pathways role that will help to develop inclusive and equitable pathways to hiring, growing and retaining disabled people in the public service.
* Tried new approaches to our attraction and recruitment process to make it more inclusive and accessible. As a result, a high number of new hires identify as disabled people.
* Began work on a new approach to reasonable accommodation that supports better outcomes for employees.

## Terms of settlement

The Ministry’s establishment process brought together teams from MoH and MSD. These employees transitioned into the Ministry on their existing terms and conditions, including pay. This meant that, at the time of establishment, six remuneration frameworks with 19 pay ranges were brought into the operating environment, and there are currently 17 employment agreement types.

The inaugural Whaikaha Collective Employment Agreement (CEA) was ratified in April 2023. Due to the timing requirements associated with the Public Sector Pay Adjustment, the bargaining team were unable to address inconsistencies associated with the transition of kaimahi/staff to the Ministry.

It was agreed as part of the Terms of Settlement to the inaugural CEA that a joint work programme would look at aligning terms and conditions that the Ministry can implement in the next bargaining round. The joint work initiatives are to:

* establish a common remuneration framework
* identify consistent hours of work, overtime and leave provisions
* ensure support for health, safety and wellbeing.

## Pay equity

As of 30 June 2024, the Ministry had an average gender pay gap of 6.9 percent. This is a reduction of 5.4 percent since the Ministry reported an average gender pay gap of 12.3 percent points on 30 June 2023.

The Ministry is continuing to better understand the drivers of its pay gaps and working to address them in accordance with the Kia Toipoto – Public Service Pay Gaps Action Plan.

# Governance and risk management

## Review of commercial management

During the financial year a rapid assurance review of the Ministry’s commercial management practices was conducted to ensure that its contract management practices are robust, provide public value, and to reduce legal and financial risk for the Ministry.

The Review findings reflected the Ministry’s journey of maturity as a stand-alone organisation. The overall assessment indicated the Ministry was at a ’foundational level’. The review recommendations and roadmap for improvement are related to commissioning activities. Significant system-related work sits across the Ministry more broadly and a programme was established by the Executive Leadership team to respond to and address key findings, and to develop our commissioning framework.

## Fiscal sustainability

The DPMC stocktake said Whaikaha’s relatively short six-month establishment period placed ‘significant pressure’ on the team tasked with setting up the Ministry. As a result, the team employed a ‘lift and shift’ approach by simply transferring staff, functions, roles and responsibilities directly from the MoH to the new Ministry. This meant limited due diligence was carried out, especially given the size, complexity and ageing systems that were used to administer DSS.

The DPMC stocktake also identified financial, legal, people leadership, management, high stakeholder expectations and a number of operational risks and issues. The operational risks included legacy IT systems, ageing business practices, and weak assurance, audit, monitoring and fraud analysis functions that were not fit for purpose.

While the Ministry designed a new organisational model, to reflect its mandate, its operating budget had not been scaled to meet the demands of its $2.2 billion in annual commissioning.

With sustained demand for services and price pressure, fiscal sustainability has become an increased focus for Whaikaha. In 2023, corporate and governance functions internally increased their focus on understanding and responding to this pressure. This resulted in more regular financial reporting and increased dialogue with Treasury and Ministers. A Financial Sustainability programme was established in November 2023 to organise this work, which included initiatives to find savings in departmental spend.

In response to financial pressure on disability supports, the Ministry made changes to flexible funding in March 2024, which were not received well by the community and sector and criticised for not being consulted on. Ongoing budget pressure for the 2023/24 financial year resulted in the Ministry receiving a top-up to the 2023/24 Budget through the Budget process.

In April 2024, an Independent Review was announced “to strengthen the long-term sustainability of Disability Support Services to provide disabled people and carers with certainty around what they can access”. The focus of the fiscal sustainability work for the rest of the 2023/24 financial year was to support the Independent Review.

Significant events after balance date for the Ministry are contained in the MSD’s 2024 Annual Report, as the host agency, and can be found on their website.

## Risk and Assurance Committee

The Risk and Assurance Committee was inducted during the financial year to assist the Chief Executive by providing independent advice and challenge on risk, internal control and assurance matters. The committee meet on a quarterly basis and have been focused on the management of top risks, issues and ensuring compliance.

## Transformation Management Board

The Transformation Management Board was established during the financial year to provide advice to the Chief Executive to support the implementation of transformation initiatives funded through the Budget 2022 contingency. The Board have provided robust advice on the allocation of funding for specific initiatives and help to identify potential areas for re-prioritisation to better support transformation.

The Transformation Management Board was established with 11 members, most (eight) of whom are disabled people.[[1]](#footnote-2) There are three senior Whaikaha leaders, with the Chief Executive as chair.[[2]](#footnote-3)

## Initiatives endorsed by the Transformation Management Board

The Transformation Management Board endorsed the allocation of Budget 2022 funding for the following initiatives:

* disabled person/whānau-led facilitation services
* testing alternatives to Needs Assessment and Service Coordination (NASC) facilitation services for family wellbeing/respite
* building the peer support network and evidence base for My Home, My Choice initiatives.

As part of the organisational design, Budget 2022 funding was also used to establish roles to support transformation and system improvement.[[3]](#footnote-4)

## Disability system transformation

In September 2023, the Government announced that the Ministry could access $73.7 million over the next four years and an additional $40.5 million each year in the following years to support disability system transformation work.

A phased approach was developed, with an initial focus on laying the foundation for system improvement and transformation. This includes disability and community leadership, the IT systems, and the data and insights needed to make evidence-based investment decisions.

Funding for improving safeguarding of those at risk of abuse and neglect and transforming existing supports started in 2024/25.

To guide system improvement and maturity (including cost stabilisation) a revised roadmap will be developed as:

* funding from Budget 2022 was insufficient to support the original roadmap
* the Government’s fiscal position has deteriorated since the Budget 2022 decisions
* recommendations from the Independent Review of DSS are implemented.

## Shared services arrangement

The Corporate Services Group managed relationships with the Ministry’s shared services providers – Health New Zealand (HNZ) and MSD.

The transfers of functions from MoH and MSD to Whaikaha took place in the midst of major reform of New Zealand’s health sector. From 1 July 2022, Health New Zealand/Te Whatu Ora (HNZ/TWO) was established. In this context, there was a need for the provision of certain services from HNZ and MoH to Whaikaha.

As part of the SSAs and subsequent amendments, it was agreed that the parties would commission a review of services to be completed by January 2024.

The summary of findings highlighted the need for service improvements, including quality, cost and value, and the timeliness requirements of the services being delivered.

SSA governance was re-instated during the year, which focused on the oversight and monitoring of service improvements and the progression of recommendations as a result of the review.

Transitional services

The Ministry maintained a shared services hosting arrangement with MSD until June 2024 to enable access to MSD’s administrative systems, services and infrastructure. The Ministry maintains a relationship with Manatū Hauora and Te Whatu Ora, to maintain access to data and records and for the administration of payments.

MSD have delivered a range of transitional services to support the early Whaikaha operation, such as health and safety, communications, ministerial and executive services and legal services. These have transferred to the Ministry progressively over the 2023/24 year, with some residual services concluding in early 2024/25. As the host agency, MSD also provides Whaikaha with some ongoing corporate support services such as finance and payroll.

# Want to get in touch?

If there is something specific you would like to hear about in future updates, other general feedback or you want to get in touch, please visit our [Contact us webpage.](https://www.whaikaha.govt.nz/contact-us/)

You can also contact us on:

Phone: 0800 566 601

(Mon, Tue, Wed, Thur: 9:30am - 5pm, Fri: 8am - 5pm,)

Text: 4206

1. The Board has three tāngata whaikaha Māori and three disabled people, one whānau member and one family member of a disabled person. [↑](#footnote-ref-2)
2. The two other executive members are the Deputy Chief Executive Policy, Strategy and Partnerships, and Deputy Chief Executive Commissioning, Design and Delivery. [↑](#footnote-ref-3)
3. Most of these roles are in Commissioning Design and Delivery – 13 full-time equivalents (FTEs). The Transformation Management Board received funding for three FTEs to provide governance of initiatives funded through Budget 2022. [↑](#footnote-ref-4)