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### Update from the CE

Dr Garth Bennie

Kia ora and welcome to our first newsletter for 2017. We have got off to a very busy start with significant pieces of work in progress. And we have been delaying the newsletter so that we can include the latest developments with regard to some of the work we are involved in.

The equal pay negotiations are increasingly taking centre stage as we head towards a settlement. NZDSN's concerns are not so much the settlement itself, but its implementation through the contracting process and the potential financial consequences for providers. Our monitoring work with the new employment service contracts continues as does the cross sector project to develop practice guidelines for employment support services. We are also shaping up our approach to leadership mentoring and communities of practice and hasten to assure those people who expressed an interest in roles associated with these programmes that we will be in touch soon.

### Equal Pay Negotiations

Government is keen to get a settlement across the line to meet this year's budget deadlines. The intention is that new minimum pay rates will be legislated and implemented over a four or five year period. Pay rates will likely be linked to a mixture of tenure and qualifications. NZDSN endorses the move to substantially lift pay rates for support workers, and in doing so create a shift away from a minimum wage workforce. Over time this will change who the workforce is and create the prospects of support work being regarded as a valued career choice with associated qualification pathways.

However the implementation of a substantive wage settlement is likely to create some real short and medium term consequences for providers. This is because, even at this late stage in the negotiations, we still do not have adequate information or transparency about the details of how a settlement will be implemented through pricing and contracting arrangements. There will be a percentage included in the settlement for direct on-costs, but NZDSN and the Ministry of Health have differing views on what the size of this percentage needs to be. In our view, not all the on-costs are being adequately factored in. In addition the issue of internal relativities will fall outside the settlement itself and will need to be a topic of separate negotiation with the Ministry.

The absence and/or lack of details about these aspects, along with a tight timeframe, mean that NZDSN is severely limited in its ability to obtain independent validation of the assumptions and calculations that would sit behind the implementation of a settlement.

NZDSN is also concerned that despite earlier commitments to do so, there are as yet, no formally agreed principles or assurances governing the *implementation* of a wage settlement through provider contracts (as distinct from the wage settlement itself). Again, the issue of internal relativities is a major concern here, particularly because MSD and mental health providers remain out of the scope of the agreement.

It is NZDSN's view at this stage that the settlement has the potential to create significant financial consequences for providers and further exacerbate already existing financial stress for the sector. For these reasons NZDSN cannot see itself asking its members, at this stage, to be involved in a settlement ratification process.

All of the above points have been communicated to Ministry of Health representatives and the Minister for Disability Issues.

Because of these uncertainties and a lack of more detailed information, NZDSN is obtaining comprehensive legal advice to inform our approach and decision making from this point. If you have any questions about where we have got to or wish to have any aspects clarified please contact Garth Bennie at the NZDSN office.

## Announcement of staged implementation of a transformed service system

We are encouraged by the next steps for service transformation announced recently with the Mid-Central area around Palmerston North being the initial starting point. We will take every opportunity to contribute constructively to the co-design process. The full details along with FAQs can be found on the [ODI website](#) or on the [NZDSN website](#). The approach will reflect to a large extent the recommendations from the working group that were developed near the end of last year. The challenge of annual capped budgets and the tension between outcomes that are consistent with the Enabling Good lives principles and a commitment by government to contain costs remain as watch points.

NZDSN will continue with the Enabling Good Lives workshops in partnership with the EGL Leadership group as part of its commitment to ensuring that the understanding of, and impetus for EGL, continues to grow across the country.

## MSD Employment Service Contracts

A recent consultation process was undertaken with providers by NZDSN, Platform and Inclusive NZ to ascertain the appetite for the three SLI ratings and a proposed set of indicators for each level to achieve a degree of national consistency. The outcome was a decision to retain the three rating system, but with further work to be done with a wider group of providers on the indicators for each level – including a trial. MSD have also agreed to provide some communications on several other matters of concern for providers: timelines and workshops to assist with the implementation of SORT; information about how wage subsidies work in practice; clarification around people moving and interrupted employment; a proposal for ongoing support application and payment; and a proposal for upfront payments for the initial period following July 1<sup>st</sup>. The workshop to look at the interface between Work & Income and contracted providers was postponed with no new date yet to be set.

## Employment Practice Guidelines Project

A consultation document is currently being considered by the sector. Contact your local NZDSN Employment Advisory Committee member for information about opportunities to discuss the document. Feedback will be incorporated into a final draft which will also be circulated for further feedback. A copy of the consultation document can be found [here](#). Please send feedback to: [gordon@weavingthreads.com](mailto:gordon@weavingthreads.com) by 15<sup>th</sup> April!

## **NZDSN National Employment Symposium – Why Work Matters!**

In the absence of a conference this year, and to respond to the current focus on employment issues NZDSN will be hosting a **National Employment Symposium in Wellington on the 9<sup>th</sup> and 10<sup>th</sup> of August (Save The Date)**. This will be a one and a half day opportunity to reflect on emerging trends and issues along with some key developments. Confirmed keynotes are:

- **Michael Callahan**, internationally recognised as one of the key leaders in the development of supported employment concepts and practices. He is currently involved in the Employment Frist initiative in the USA
- **Shamubeel Eaqub**, a well-known and respected New Zealand economist. He will be speaking on labour market trends and the challenges and opportunities for those at risk of being marginalised by changes in the labour market.

Other speakers will include employer perspectives, mental health and employment and more!!

## Workforce Development

NZDSN is working closely with both Careerforce and the Open Polytechnic on the development of qualifications that will offer national recognition and portability from level 3 through to post graduate courses - and also recognise the need for endorsements in a range of specialist areas. While each offer different approaches the qualifications are the same NZQA approved certificates, diplomas and degrees. Employers and prospective students can therefore make choices about which approach and qualification pathways suit which parts of the workforce for which courses. Check out the [Careerforce](#) and [Open Polytechnic](#) websites for more information.

## Employer Guidelines

We are currently working on a draft document that summarises a host of recent amendments to the Employment Relations Act (and related legislation) that covers a range of employer responsibilities. The guide will include a questionnaire to help you decide if you need to pursue legal or HR advice in relation to your current policies and procedures. The guidelines will be peer reviewed by key parts of the sector before they are released.

## Fire Regulations in Group Homes

This project has been a rather tortuous journey, mostly because of staffing changes at MBIE and revised interpretations around process and where statutory responsibility lies for various aspects. However there is light at the end of the tunnel! Those responsible for authorising building consents are buying into a straightforward process where the provider makes a simple statutory declaration (as part of the paper work submitted for building consent) that they have met the Ministry of Health requirements as per their standards. There will be a basic guide developed (involving 4 categories) that takes the provider through a decision making process that ensures there is the right mix of design features and/or management practices for the individuals living in the house to ensure safe evacuation within specified time periods. A new declaration will only need to be made if the design of the house and/or management practices have to be significantly altered i.e. a change of use requiring a further building consent.

There will be a sector wide consultation process once the proposal details are worked through and written up. There is now a sense of urgency as we have emphasised the risk of providers spending unnecessarily due to the absence of guidance or process for those issuing building consents – who then tend to manage perceived risk by requiring onerous design features.

## Pricing, Contracting, Transparency and Risk

NZDSN is commissioning a piece of work to explore and analyse various aspects of the Governments approach to pricing, commissioning and contracting. The need for this work has been prompted by what we feel is an emerging (if not actual) crisis regarding those with high and complex needs, but recognise this area is symptomatic of broader funding and pricing issues right across our sector. The work will also include a detailed financial “health check” of sector providers in order to gauge the degree of financial resilience that exists, particularly in the context of impending service system transformation. The work will also be timely in the context of the impending wage settlement which could exacerbate already existing financial stress along with an increasing shift to personalised budgets – and the need to test some of the cost assumptions that are made about this approach to funding (not the value of the concept itself).

The end result of this work is intended as an analysis that exposes any shortcomings of current approaches and can offer solutions to guide future decision making by providers, policy makers and funders.

A briefing paper will be prepared outlining the issues and the rationale for undertaking such a significant piece of work



Phil Smith  
Training & Development Coordinator

### Provider Development Programme

We have a number of events planned for the March to May period in the Provider Development Programme and it is easy to register for the ones you want to attend.

To register for any of the event listed, go to [www.nzdsn.org.nz/events](http://www.nzdsn.org.nz/events) click on the relevant event you are interested and hit the **Read more** tab. This tab provides more information on the workshops and the relevant registration forms. Make sure you register for the correct workshop – this is especially important when there are multiple offerings of the workshop. The registration form is easy to fill out - if you are an NZDSN member, make sure you check the 'Are you a NZDSN member' box to ensure you receive the membership discount. If you have any special dietary requirements or a particular disability you need to ensure these are indicated on the registration form. This is particularly important if someone else is completing the registration form and to make sure that we cater for your particular requirements on the day.

If any particular event is shown as free for People with disabilities and/ or their families, you will not be able to complete the registration on line but will need to email [phil@nzdsn.org.nz](mailto:phil@nzdsn.org.nz) or call on 03 473 4678 to ensure your registration is processed.

### Scheduled Events:

- **March 21 - Christchurch - *Micro Enterprises – From theory to Action - The How and why of setting up micro enterprises.*** Presenter - Tony Maclean of Imagine Better.
- **March 27 - Whangarei - *Enabling Good lives Workshop*** - A major opportunity for Providers to engage with EGL and get a sense of what it means for organisations, people using services, being truly person centred and what this looks like in practice.
- **March 28 - Palmerston North - *Implementing Person Centred Practices - Level One*** - Giving people positive control over their lives. Registration needs to be completed by March 13 for this workshop to ensure you complete to the eLearning module prior to the workshop.

- **March 30 – Christchurch - *Implementing Person Centred Practices - Level One*** - Giving people positive control over their lives. Registration needs to be completed by March 13 for this workshop to ensure you complete to the eLearning module prior to the workshop.
- **April 7 - Auckland - *Implementing Person Centred Practices - Level One*** - Giving people positive control over their lives. Registration needs to be completed by March 13 for this workshop to ensure you complete to the eLearning module prior to the workshop.
- **April 12 - Auckland - *Enabling Good lives Workshop*** - A major opportunity for Providers to engage with EGL and get a sense of what it means for organisations, people using services, being truly person centred and what this looks like in practice.
- **April 12 – Dunedin - *Implementing Person Centred Practices - Level One*** - Giving people positive control over their lives. Registration needs to be completed by March 29 for this workshop to ensure you complete to the eLearning module prior to the workshop.
- **May 9 - Palmerston North - *Micro Enterprises - From theory to Action - The How and why of setting up micro enterprises***. Presenter - Tony Maclean of Imagine Better.
- **May 11 - Auckland - *Micro Enterprises - From theory to Action - The How and why of setting up micro enterprises***. Presenter - Tony Maclean of Imagine Better.
- **May 24 – Napier - *Enabling Good lives Workshop*** - A major opportunity for Providers to engage with EGL and get a sense of what it means for organisations, people using services, being truly person centred and what this looks like in practice.



Mireille Vreeburg  
Auckland Executive Facilitator

Auckland Regional Update

Please [click here](#) to read all the latest news from the Auckland Region